HCLTech | Supercharging Progress™



Annual Report

2023-24

HCL

FY24 was a year of industry-leading growth at HCLTech as we continued to bring together the best of technology and our people to supercharge progress.

Our full-stack portfolio, underpinned by a strong engineering heritage, is enabling global enterprises to unlock the true potential of digital technologies.

As we engineer the digital future for our clients, we remain grounded in the "art of possible" to innovate solutions that are relevant and deliver value in the real world.

And we do it all sustainably, responsibly and ethically.







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Message from the Chairperson

Roshni Nadar Malhotra

Dear Shareholder,

I am happy to share with you that HCLTech delivered yet another year of healthy growth and market performance. In FY24 we recorded revenue of ₹109,913 crore, up 8.3% YoY, and net income of ₹15,702 crore, up 5.7% YoY. Our industry-leading performance reflects the strength of our portfolio across digital, engineering, cloud, AI and software that enables us to bring differentiated technology solutions to our clients.

The demand environment for IT services remained challenging as macro-economic headwinds persisted in key markets and clients deferred discretionary technology spends to focus largely on core technology programs. We are beginning to see some green shoots but remain cautiously optimistic in the short-term. However, the medium to long-term prospects for the industry look promising as new technologies offer massive opportunities to technology partners like HCLTech.

The technology landscape today is perhaps the most exciting in over a decade. Generative AI (GenAI) is beginning to make an impact and we are beginning to see use cases moving out of innovation labs to real business environments. Last year, HCLTech built and implemented cutting-edge GenAI use cases to address several business problems across industries. With our comprehensive portfolio, strong engineering heritage and ecosystem of partners, we are well equipped to help clients thrive as GenAI begins to touch almost every aspect of business.

> "The technology landscape today is perhaps the most exciting in over a decade... With our comprehensive portfolio, strong engineering heritage and ecosystem of partners, we are well equipped to help clients thrive as GenAI begins to touch almost every aspect of business."

HCLTech continues to be an employer of choice and our global team represents 159 nationalities across 60 countries. We were certified as Top Employer in 26 countries and ranked no.1 in 15 of these. This is a validation of our diverse and inclusive organizational culture that lets people find their spark and invests in their growth and well-being.

Upskilling our people has become more important than ever as GenAI-led technology transformation takes shape. HCLTech is investing in training programs in AI, GenAI and allied technologies for employees through highly advanced and familiarization programs being provided based on role requirements. We are also embracing GenAI within the company to drive better employee experience and productivity across business functions.

We have always prioritized doing business in a sustainable and responsible way. We are making good progress on our sustainability goals and commitment to being net-zero by 2040 through a range of initiatives. We have reduced our Scope 1 and 2 emissions by 25% from FY20. In FY24, we replenished 32 times the water we consumed across our India operations while 98% of our owned office buildings are rated Platinum by the Green Buildings Council. Our sustainability efforts were once again recognized by global institutions such as MSCI and S&P in FY24.

The year marked a major milestone for HCLTech's global corporate social responsibility (CSR) initiatives as we launched the HCLTech Grant Americas with a commitment of $5 million to support innovative programs that help fight climate change across Americas. It is a demonstration of our ability to take our India CSR "source code" to make a meaningful impact in global geographies where we operate. Our CSR interventions in India through the award winning HCLFoundation continue to scale up. HCLTech's cumulative CSR investments in India crossed ₹1,400 crores this year, which helped transform over 6.5 million lives across the country.

HCLTech was also recognized by Ethisphere as one of the World's Most Ethical Companies 2024. This is a testimony to HCLTech's deep commitment to corporate governance, ethics and transparency that are part of the values enshrined in the company by our Chairman Emeritus Shiv Nadar.

We remain focused on the five strategic objectives outlined to steer growth and create value for all stakeholders in the medium-term.

- Leadership through differentiated services and products
- Employer of choice in professional services across all our key geographies
- Preferred Digital partner for Global 2000 enterprises in chosen markets
- Weave ESG (Environmental, Social and Governance) goals into business strategy
- Deliver top quartile TSR (Total Shareholder Return) over the medium term

On behalf of the Board of HCLTech, I would like to thank you for your continued support.

Regards,



Roshni Nadar Malhotra



Message from the CEO & Managing Director

C Vijayakumar

Dear Shareholder,

FY24 was a year of industry-leading growth at HCLTech despite the global macroeconomic and geopolitical headwinds. Our differentiated portfolio across services and products allowed us to sustain the growth momentum by being a digital partner of choice for global enterprises in our chosen markets of operations.

We closed the year with revenue of $13.3 billion, up 5.4% YoY. Our revenue growth rate was the highest among the tier 1 global IT services companies and our EBIT margin for the year was 18.2%. Our free cashflow continued to be healthy at $2.6 billion, a growth of 27.7% YoY. It is a testament to the depth and breadth of our offerings as well as strong and impactful execution as we continue to focus sharply on always being relevant to our clients.

Our services business saw good growth of 5.4% YoY in constant currency, led by 12.1% YoY growth in Financial Services and 9.8% YoY increase in the Manufacturing verticals. Digital revenue in constant currency grew by 5.3% and now contributes 37.3% of the overall services revenue. Cloud and Cybersecurity were key contributors to the healthy growth in digital revenue. We added three clients in the $100M+ category, six in the $20M+ category, 25 in the $10M+ category and 20 in the $5M+ category during the year. Our software revenue grew by 2.3% in constant currency as the business sustained its $1 billion+ annual run rate, driven by subscription and support revenue, which grew 400 basis points YoY. We have already recovered 90% of our investment in the software business and remain bullish on the growth prospects ahead.

Our deal pipeline continues to be healthy and diversified. During FY24, the total contract value of new deals won (excluding renewals) was at an all-time high of $9.8 billion, representing a growth of 10% YoY. We won 73 new large deals — 36 in services and 37 in software. The highlight of the year was our strategic partnership with Verizon Business, which brings together Verizon's networking power, solutioning and scale with HCLTech's market-leading managed services capabilities to serve global businesses. The Verizon deal win marked a major milestone as the largest services deal in HCLTech's history and underscored our ability to engineer solutions and execute at scale.

We are a global leader in engineering services, and in FY24 we added to our capabilities with the acquisition of ASAP Group, a Germany-based automotive engineering services provider. With the addition of technology and talent, ASAP will strengthen HCLTech's presence in the autonomous driving, e-mobility and connectivity segments.

We continue to stay focused on our objective of delivering top quartile Total Shareholder Return. On the back of this well-rounded performance, the company paid a full-year dividend of ₹52 per share. This represented a payout ratio of 89.6% for the full year in line with our stated capital allocation policy. The company's market capitalization crossed the $50 billion mark during the year.

HCLTech's industry-leading performance is also reflected in the wide range of market recognitions we've received. We won six ISG Star of Excellence Awards 2023, the highest in the industry, based on feedback from over 2,250 unique customer evaluations. HCLTech had an impressive CX score of 82.3 vs industry average of 68.9 as per the customer evaluation. Clients across regions, industries and business roles expressed significantly higher levels of satisfaction with HCLTech's services than other top providers.

In addition, HCLTech was rated as the fastest-growing IT services brand among the top 10 IT companies globally, as per the 2024 Brand Finance Global 500 and IT Services Top 25 Report. This is a validation of the success of our brand transformation with the unique positioning of Supercharging Progress.

"Our revenue growth rate was the highest among the tier 1 global IT services companies and our EBIT margin for the year was 18.2%. Our free cashflow continued to be healthy at $2.6 billion, a growth of 27.7% YoY. It is a testament to the depth and breadth of our offerings as well as strong and impactful execution as we continue to focus sharply on always being relevant to our clients."

Our people are the biggest enablers of our performance, and we continue to double down on our objective of being the employer of choice in professional services across key geographies. We closed FY24 with 227,481 people, an increase of 1,537 while onboarding 12,141 freshers. Our employee attrition rate came in at 12.4%, which is among the lowest in the industry. It is also pertinent to note that HCLTech has had the most stable leadership team among its peers and it is something our clients value.

Driven by innovative people policies, HCLTech was certified as a Top Employer in 26 countries, with a number one ranking in 15 countries. Our employee value proposition "Find Your Spark" is helping us establish a clear differentiation by offering our people a vibrant and inclusive work culture and opportunities to learn and grow on a global scale. We made significant investments in training and upskilling of employees that resulted in 160,000+ unique employees trained and certified across a variety of in-demand skills.

We remain steadfast in our commitment to grow our business sustainably and responsibly. During FY24,

we replenished 32 times more water than we consumed across our India operations. HCLTech received A- leadership rating for climate change initiatives from CDP, a global non-profit organization. We received AA rating in the MSCI ESG Index, and we were included in the S&P Sustainability Yearbook for the second year in a row.

We continue to transform communities through a wide range of initiatives. In India, HCLFoundation has impacted over 6.2 million lives since its inception through interventions across environment, education and healthcare. It has planted 2.1 million saplings and harvested 81 billion liters of water to support communities and the environment. This year, we significantly scaled up our community initiatives beyond India with the launch of HCLTech Grant Americas, committing $5 million over five years to support non-profit organizations focused on combating climate change and restoring ecosystems and biodiversity across the Americas.

HCLTech has always set high standards of corporate governance and believes in doing business the right way. It was a proud moment for us as Ethisphere recognized HCLTech as one of the World's Most Ethical Companies 2024.

"We remain steadfast in our commitment to grow our business sustainably and responsibly. During FY24, we replenished 32 times more water than we consumed across our India operations. HCLTech received A- leadership rating for climate change initiatives from CDP, a global non-profit organization."

Looking at the year ahead

We expect the demand environment for IT services to remain unchanged, with discretionary spends by clients staying soft. But equally, there are opportunities for growth led by emerging technologies such as GenAI and surround areas such as cloud, data and cybersecurity. With our comprehensive portfolio across digital, engineering, cloud, AI and software, we are well placed to leverage the market opportunities.

When it comes to GenAI, we see the market moving toward real-world B2C and B2B use cases being deployed at scale. HCLTech's full-stack technology play and core engineering DNA positions us uniquely to help clients unlock the full potential of GenAI. Our approach to GenAI is grounded in the "art of possible" to enable clients to deploy practical technology solutions.

"HCLTech's full-stack technology play and core engineering DNA positions us uniquely to help clients unlock the full potential of GenAI. Our approach to GenAI is grounded in the "art of possible" to enable clients to deploy practical technology solutions."

We have invested aggressively in GenAI capabilities, innovation labs and are partnering with top hyperscalers to build solutions. Over 200 proofs of concept have already been delivered to clients. We've launched HCLTech AI Force™, an innovative GenAI platform that accelerates time-to-value by transforming the software development and engineering lifecycle. Importantly, we are upskilling our people in GenAI through a range of advanced learning programs. In FY25, we aim to upskill 50,000+ employees in GenAI and adjacent capabilities. This technology capability is backed by a robust global delivery model as we continue to scale up our Nearshore and New Vistas locations.

To conclude, we remain optimistic and committed to our purpose of bringing together the best of technology and our people to supercharge progress. In the aforementioned ISG survey, a leading global company said, "HCLTech is really a business partner for us, thinking together, finding adequate solutions to any challenges or changes we might encounter." We remain obsessed with staying relevant to our clients in any business environment.

I would like to thank our Board of Directors for their invaluable guidance and mentorship and look forward to your continued support.

Regards,



C Vijayakumar

Founder



Shiv Nadar
Founder, HCL Group; Chairman Emeritus and Strategic Advisor to the Board

Board of Directors



Roshni Nadar Malhotra
Chairperson, Non-Executive, Non-Independent



C Vijayakumar
Chief Executive Officer and Managing Director



Shikhar Malhotra
Director, Non-Executive, Non-Independent

Non-Executive, Independent Directors



Bhavani Balasubramanian
Director



Deepak Kapoor
Director



Lee Fang Chew
Director



S Madhavan
Director



Dr. Mohan Chellappa
Director



Nishi Vasudeva
Director



Robin Ann Abrams
Director



Dr. Sosale Shankara Sastry
Director



Simon John England
Director



R Srinivasan
Director



Thomas Sieber
Director



Vanitha Narayanan
Director

Key to board committee membership

- Audit Committee
- Corporate Social Responsibility Committee
- Nomination and Remuneration Committee
- Finance Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- ESG and Diversity Equity Inclusion Committee
- C Respective Chair of each Committee

Leadership Team



C Vijayakumar
Chief Executive Officer
and Managing Director



Ajay Bahl
Chief Growth Officer,
Americas,
Mega Industries



Ajit Kumar
Chief Information Officer



Anil Ganjoo
Chief Growth Officer,
Americas, TMT and
RCPG Industries



Ashish Kumar Gupta
Chief Growth Officer,
Europe and Africa,
Diversified Industries



Hari Sadarahalli
Corporate Vice President
and Global Head,
Engineering and
R&D Services



Jagadeshwar Gattu
President,
Digital Foundation
Services



Jill Kouri
Chief Marketing Officer



Kalyan Kumar
Chief Product Officer,
HCLSoftware



Kevin McGee
Corporate Vice President,
Risk and Compliance



Nidhi Pundhir
Vice President and
Global Head, CSR



Pawan Vadapalli
Corporate Vice President
and Global Head,
Digital Business Services



Prateek Aggarwal
Chief Financial Officer



Raghu Kidambi
Corporate Vice President and Global Head, Digital Process Operations



Raghu Raman Lakshmanan
General Counsel



Rahul Mohta
Executive Vice President and Head, Enterprise Performance Office



Rahul Singh
Chief Operating Officer, Corporate Functions



Raj Ramachandran
Senior Executive Vice President, Chief of Staff to the CEO & MD



Rajiv Shesh
Chief Revenue Officer, HCLSoftware



Ramachandran Sundararajan
Chief People Officer



Santhosh Jayaram
Global Head, Sustainability



Shrikanth Shetty
Chief Growth Officer, Americas, Life Sciences and Healthcare Industries



Srimathi Shivashankar
Corporate Vice President and Global Head, EdTech Business



Srinivasan Seshadri
Chief Growth Officer and Global Head, Financial Services



Sriram Hariharan
Executive Vice President, Strategy, Corporate Development and Business Enablement



Swapan Johri
President, Growth Markets



Vijay Guntur
Chief Technology Officer and Head of Ecosystems

Supercharging Progress with AI: HCLTech's Full-Stack Portfolio

With our full-stack GenAI portfolio and proven track record of driving successful AI transformations for large enterprises, we are uniquely positioned to empower businesses in their AI and GenAI adoption journeys.

Our strengths lie across the stack, right from chip design for GenAI, data center, compilers for performance, LLM Ops with prebuilt models and customized models trained on customer data, and finally, apps and business processes. Our GenAI offerings take a comprehensive approach across industries and business functions. We prioritize innovation while adhering to a responsible and ethical AI framework, ensuring privacy, protecting intellectual property rights, promoting fairness and verifying accuracy.

We create AI solutions that do not live in isolation but benefit from the best-of-breed data engineering and data science work that has cemented our reputation as one of the world's leading providers of high-complexity Data and AI services. While we focus on individual solutions, our perspective is that of comprehensive, end-to-end transformation – often in direct collaboration with a powerful ecosystem of industry partners.

Our AI and GenAI operating model revolves around strategic ecosystem partnerships with leading organizations in the AI and GenAI domain. For example, HCLTech AI Force™ is built on Microsoft's Azure OpenAI and is capable of integration with GitHub Copilot, Google Gemini and AWS Anthropic Claude 3 Haiku in AWS Bedrock. HCLTech Enterprise AI Foundry has gone live for AWS, Google Cloud and Microsoft, enabling GenAI-led transformation utilizing, with Microsoft for example, Microsoft Fabric Copilot, Azure AI Studio, Azure OpenAI Service and Cognitive Services.

The HCLTech GenAI CoEs include Microsoft's Azure OpenAI Service, Google Gemini and the IBM watsonx™ AI and data platform, and we have recently expanded our Microsoft Cloud GenAI CoE with the addition of the Microsoft Copilot CoE.

AI and **Cloud Native** that enable

- **Velocity**
- **Productivity**
- **Quality**
- **Business Outcomes**



Full-stack AI solutions that span from **ideation** to **engineering** to **scale**

- **Enterprise Transformation**
- **Business Processes**
- **Applications, Products & Platforms**
- **LLM/SLM**
- **Data & AI**
- **Cognitive Infrastructure**
- **Semiconductor Design**

AI Labs

AI Force™

Enterprise AI Foundry

Partners Speak

GenAI holds immense potential to revolutionize business processes and transform entire industries. Together with partners like HCLTech, we can leverage the GenAI capabilities of SAP Business Technology Platform to create AI-enabled solutions and tools for business that are relevant, reliable and responsible, and will empower customers to swiftly adopt and create innovations that deliver actual business outcomes."

Juergen Mueller, Chief Technology Officer and Member of the Executive Board of SAP SE

HCLTech's deep understanding of the Microsoft cloud, AI platforms and service offerings enables them to deliver platform synergy, and their proficiency working with Microsoft Copilots, coupled with their custom development, using client data, helps them to democratize GenAI benefits for customers. In addition, HCLTech is using Azure AI Studio to create new specialized AI applications, and is infusing existing applications with cutting-edge GenAI services. HCLTech is creating innovative role-based business copilots for key sectors and is using GitHub Copilot and AI Force™ to boost developer productivity throughout the software lifecycle."

Stephen Boyle, VP and Global Lead, GSI & Advisory, Microsoft

Driving adoption of responsible GenAI solutions is an important component of our collaboration with service partners like HCLTech. Through this Center of Excellence, we plan to empower our joint clients to rapidly explore, experiment and engineer GenAI solutions with watsonx that are designed to meet their current business challenges."

Stephen Smith, General Manager, Service Partners, IBM Ecosystem

Gemini for Google Cloud can enhance many areas of enterprise work, such as helping developers build applications more quickly and improving how financial analysts report on their businesses. By enabling 25,000 engineers on Google Cloud's latest GenAI technology, HCLTech can provide the expertise and technical skills that clients need to successfully deploy and manage GenAI projects at scale."

Thomas Kurian, CEO, Google Cloud

Partnering with HCLTech to develop AI solutions for our post-release sentiment program was beneficial. Their rapid prototyping and tool development was great. We've seen tangible benefits and measurable ROI, marking the beginning of an exciting journey. I am looking forward to the evolution of our partnership and the innovations that it will bring."

Qumar Jamil, Director, Xbox Certifications, Microsoft

With a diffusion rate surpassing that of any previous technology, GenAI represents not just a technological advancement but a global opportunity transcending industries and communities. The ITES sector in India stands poised to capitalize on these new AI developments. We're inspired by the rapid adoption of GenAI and Microsoft 365 Copilot by HCLTech to revolutionize employee experience and streamline business processes across sales, service, finance and delivery functions. The integration of their AI Force™ platform with GitHub Copilot is a testament to our shared commitment to boosting developer productivity and efficiency. By harnessing the power of Copilot for M365, Copilot Studio, GitHub Copilot and other Azure AI Services, HCLTech is poised to create industry-specific and persona-driven solutions. These innovations will not only enrich the Microsoft Marketplace but also strengthen our co-sell endeavors."

Puneet Chandok, President, Microsoft India and South Asia

A Year of Industry-Leading Growth

$13.3B
Revenue (up 5.4% YoY)

₹109,913Cr
(up 8.3% YoY)

₹20,027Cr
Earnings before other income, tax and finance cost
(8.4% increase YoY)

₹15,702Cr
Profit after tax (PAT)
(attributable to owners of the company)
(5.7% increase YoY)

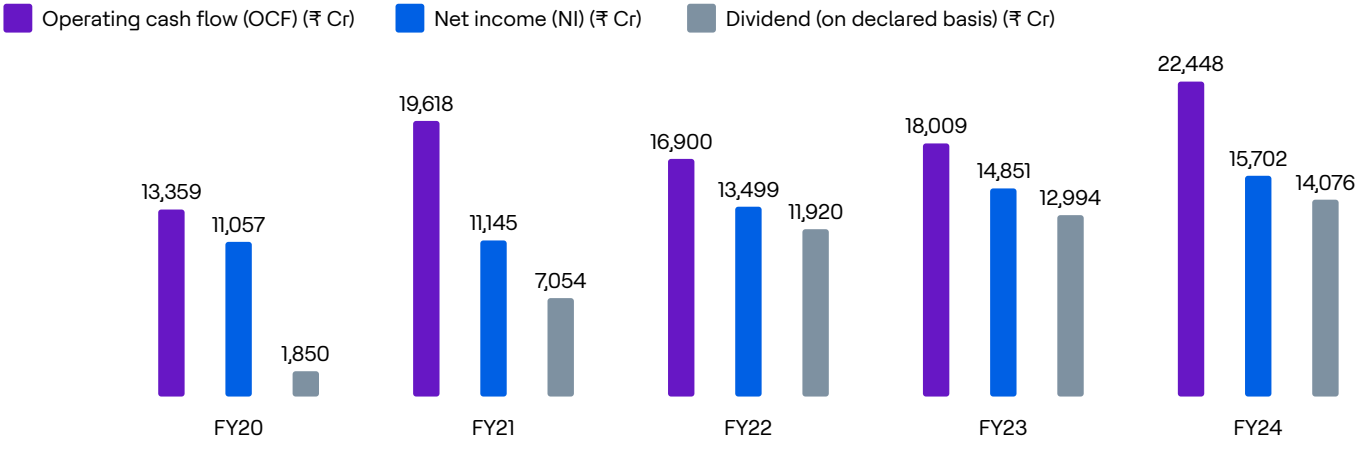
₹22,448Cr
Operating cash flow
4-year CAGR: 13.9%

2.2X
Total increase in $100M+ clients over five FYs

73
New large deals signed

$9.8B
New deal total contract value (TCV)
(up 10% YoY)

OCF/NI ratio and dividend payout ratio



	FY20	FY21	FY22	FY23	FY24
OCF/NI	121%	176%	125%	121%	143%
Dividend Payout Ratio	16.7%	63.3%	88.3%	87.5%	89.6%

Revenue from operations (₹ Cr)

FY24	**109,913**
FY23	101,456
FY22	85,651
FY21	75,379
FY20	70,676

11.7%
CAGR (CC)*

Earnings before other income, tax and finance cost (₹ Cr)

FY24	**20,027**
FY23	18,483
FY22	16,204
FY21	15,437
FY20	13,911

9.5%
CAGR*

Profit after tax (PAT)
(attributable to owners of the company) (₹ Cr)

FY24	**15,702**
FY23	14,851
FY22	13,499
FY21	11,145
FY20	11,057

9.2%
CAGR*

Diluted EPS (₹)

FY24	**57.86**
FY23	54.79
FY22	49.77
FY21	41.07
FY20	40.75

9.2%
CAGR*

Employee metrics (Headcount)

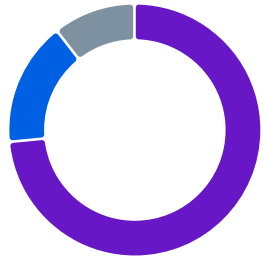
FY24	**227,481**
FY23	225,944
FY22	208,877
FY21	168,977
FY20	150,423

Segment revenue** (₹ Cr)

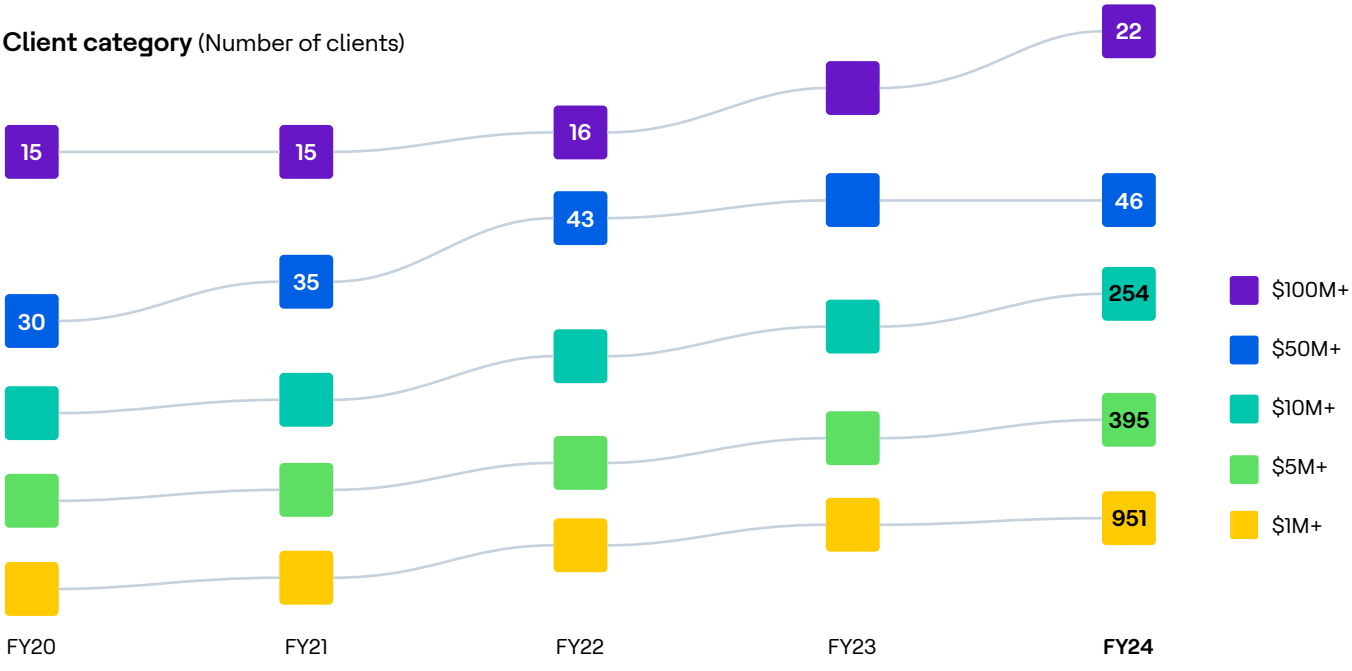
81,148
IT and Business Services

17,581
Engineering and R&D Services

11,692
HCLSoftware



Client category (Number of clients)



*4-year CAGR

**Includes inter-segment revenue of ₹508 crores

Our Global Footprint

60
Countries

159
Nationalities

227K
Employees

200+
Delivery Centers

150+
Innovation Labs



Countries

Angola
Argentina
Australia
Austria
Belgium
Brazil
Bulgaria
Canada
Chile
China
Colombia
Costa Rica
Czech Republic
Denmark
Egypt
Estonia
Finland
France
Germany
Guatemala
Hongkong
Hungary
India
Indonesia
Ireland
Israel
Italy
Japan
Lithuania
Luxembourg
Malaysia
Mexico
Morocco
Netherlands
New Zealand
Norway
Oman
Panama
Peru
Philippines
Poland
Portugal
Romania
Saudi Arabia
Singapore
Slovakia
South Africa
South Korea
Spain
Sri Lanka
Sweden
Switzerland
Taiwan
Thailand
Turkey
UAE
United Kingdom
United States
Vietnam



Awards and Recognitions



Kiran Nadar receiving Amrit Ratna Award on behalf of Shiv Nadar

Shiv Nadar, Chairman Emeritus and Strategic Advisor to the Board of HCLTech, was conferred the Amrit Ratna Award 2023 by News18 India for his contribution to business and philanthropy.

Shiv Nadar, Chairman Emeritus and Strategic Advisor to the Board of HCLTech, retained "India's most generous" title for the third time in five years in Edelgive Hurun India Philanthropy List 2023.

Executive Recognitions

HCLTech Chairperson
Roshni Nadar Malhotra

- Named among The World's Most Powerful Women by Forbes
- Recognized as one of the Most Powerful Women in Business 2023 by Fortune India
- Won Business Today Most Powerful Women in Business Award 2023
- Included in India Today's "The She List", covering the top 100 women achievers of India
- Won the Legacy Entrepreneur Award at the Express Awards for Women Entrepreneurs 2024
- Won the Emerging Women Business Leader award at the Moneycontrol Indian Family Business Awards 2022

HCLTech CFO Prateek Aggarwal received the Group CFO of the Year - Large Enterprise award at the ETCFO Awards 2024.

Corporate Recognitions

2024 WORLD'S MOST ETHICAL COMPANIES® ETHISPHERE

HCLTech recognized by Ethisphere as one of the World's Most Ethical Companies 2024

CDP DRIVING SUSTAINABLE ECONOMIES

Rated A- by global environment non-profit CDP for climate change initiatives

Brand Finance®

Fastest-growing IT services brand among the top 10 IT companies globally, as per the 2024 Brand Finance Global 500 and IT Services Top 25 Report

GOLD 2023 ecovadis Sustainability Rating

Gold rating from EcoVadis, a globally renowned ESG rating platform

Gold at the 3rd ICAI International Sustainability Reporting Awards for Climate Action Reporting

S&P Global

Included in the S&P Global Sustainability Yearbook 2024 for the second year in a row

Ranked among the Top 10 Most Sustainable Companies in India in a study by Businessworld and Sustain Labs, Paris

Employer Recognitions

HCLTech has been certified as Top Employer in 26 countries, with No. 1 ranking in 15 countries. Also received regional Top Employer certification in three key geographies of its operations: Top Employer North America 2024 (ranked No. 1), Top Employer Asia Pacific 2024 (ranked No. 1) and Top Employer Europe 2024 (ranked No. 2).





HCLTech employees in the US (left) and APAC (right) celebrating the Top Employer recognition

- Highest ranked India-headquartered IT company in the Forbes Best Employers List 2023; Ranked seventh globally in the Professional Services category
- Gold at the 2023 Brandon Hall Group HCM Excellence Awards™ under "Best Advance in Competencies and Skill Development" and "Best Unique or Innovative Learning and Development Program" categories; Won Gold in the Talent Acquisition category for "Rise at HCLTech" program
- Gold at the O'Reilly Awards 2023 in the "Best in Skill Transformation" category; recognized for fostering talent, driving innovation and advancing skill development to support clients in their digital transformation
- Gold at the ETHRWorld Future Skills Awards in the "Excellence in the Learning Impact Measurement" category
- ETHREX Award for Exceptional Employee Experiences in the Large Enterprise category
- Silver at the ET Human Capital Award 2024 for the Aspire program under the category "Excellence in Creating a Culture of Continuous Learning and Upskilling"
- Rated as Silver Employer under the India Workplace Equality Index (IWEI)
- Recognized as the global runner-up for HCLTech's communication strategy toward its employees and stakeholder ecosystem during the pandemic at the Duty of Care Awards 2023, hosted by International SoS
- Recognized among World's Best Companies Changing the World; Featured in the debut ranking by TIME Magazine and Statista
- Positioned as a Leader for the third consecutive year in Avasant's Digital Talent Capability RadarView™, 2023–2024
- Positioned as a Leader and a Star Performer in Everest Group's Talent Readiness for Next-Generation IT Services PEAK Matrix® Assessment 2023

Business Recognitions

- Three awards at Google Cloud Next'24: Global Talent Development Partner of the Year Award, Industry Solution Services Partner of the Year Award for Telecommunications, and Cloud Migration Specialization Partner of the Year Award
- Dell Technologies 2023 Global Partner of the Year Awards in three categories: Excellence in New Business Development – Global, Excellence in Expansion – EMEA, and Excellence in New Business Development – Americas
- Trailblazers of 2023 Award at the IBM Think Partner Excellence Awards in Mumbai; only GSI to have won in the cloud business category
- 2024 Intel EPIC Outstanding Supplier Award
- Winner of AWS EMEA Financial Services Innovation Challenge on Sustainability
- System Integrator of the Year by Hewlett Packard Enterprise

- Commvault Pioneering GSI Partner of the Year 2023
- Excellence in Expansion and Optimization award for SAP Concur and the Adoption Champion award for SAP Ariba at the SAP India Spend Connect
- Future Digital Award 2023 in the 'Best IoT Device Management Platform' category for HCLTech's IoT solution
- NetApp GSI Partner of the Year 2023 (NORDICS)
- Keystone Partner of the Year for UK and Ireland by NetApp
- Veritas Growth Partner of the Year 2023
- Recognitions for cybersecurity solutions: Fortinet (OT Partner of the Year – North America), Microsoft Security (Identity Trailblazer – Finalist), BeyondTrust (Trifecta Award) and CyberArk (Global MSP Partner of the Year)
- Fluid Workplace 2023 SIIA CODiE Award in Best Emerging Technology Category for Virtuality
- Fluid Workplace 2023 Globee® Awards for Information Technology under five categories - (1) Customer Service Innovation (2) Business Analytics Services (BAS) (3) Virtual Reality and Augmented Reality (4) Information Technology Thought Leadership of The Year (5) Most Valuable Response by IT Team of the Year (IT or Security)

Diversity & Inclusion Recognitions

- Included in 100 Best Companies for Women in India list and was recognized as "Exemplar of Inclusion" in Most Inclusive Companies Index (MICI) 2023 by Avtar and Seramount
- Included in NASSCOM's DEI Champions List - Jury Special Mention
- The Most Innovative Diversity Award from Synchrony
- Gold at the 2023 Brandon Hall Group HCM Excellence Awards™ for "Best Advance in Leadership Development for Women" and "Best Advance in Employee Recognition Program"; also won Silver for "Best Learning Program for Unconscious Bias Awareness" and "Best Advance in Employee Engagement"

CSR Recognitions

- HCLTech won the National Water Award for significant efforts in holistic water conservation and management in India
- HCLFoundation won India Sanitation Coalition–FICCI award in the Best Communication in Sanitation category for its campaigns rolled out under Samuday in Hardoi, Uttar Pradesh
- HCLFoundation received a certificate of appreciation for its development of infrastructure facilities in government schools under Operation Kayakalp program of the Uttar Pradesh government



HCLTech Chairperson Roshni Nadar Malhotra was the co-chair of the B20 Digital Transformation Taskforce during India's G20 presidency

Key Analyst Recognitions

HCLTech has received 300+ leadership rankings across horizontals and verticals for FY 2024 which we believe further strengthen our credentials to be a partner of choice for large enterprises in their cloud and digital transformation journey.

HCLTech positioned as a Leader in

- Gartner® Magic Quadrant™ for Data Center Outsourcing and Hybrid Infrastructure Managed Services, Worldwide*
- Gartner® Magic Quadrant™ for Public Cloud IT Transformation Services*
- Gartner® Magic Quadrant™ for Outsourced Digital Workplace Services, March 2024*
- Gartner® Magic Quadrant™ for Managed Mobility Services, Global*
- Gartner® Magic Quadrant™ for Managed Network Services*
- HCLTech recognized by its customer with the Gartner Peer Insights Customers' Choice distinction in Voice of the Customer for Data Center Outsourcing and Hybrid Infrastructure Managed Services, Worldwide*
- IDC MarketScape: Canadian Managed MulticloudServices 2024 Vendor Assessment (doc # CA50302123, February 2024)
- IDC MarketScape: Worldwide Software Engineering Services 2023 Vendor Assessment (doc # US51330523, Nov 2023)
- IDC MarketScape: Worldwide Smart Manufacturing Asset Management Service Providers 2023–2024 Vendor Assessment (doc # US49760023, Dec 2023)
- Everest Group's Microsoft Dynamics 365 Services PEAK Matrix® Assessment 2023
- Everest Group's 5G Engineering Services PEAK Matrix® Assessment 2023: The Next Frontier in the Hyperconnected Era
- Everest Group's ACES Automotive Engineering Services PEAK Matrix® Assessment 2023: Navigating the Future of Automotive Landscape
- Everest Group's Digital Twin Services PEAK Matrix® Assessment 2023
- Everest Group's Identity and Access Management (IAM) Services PEAK Matrix® Assessment 2023
- Everest Group's Talent Readiness for Next-generation IT Services PEAK Matrix® Assessment 2023
- Everest Group's Cloud Security Services PEAK Matrix® Assessment 2023
- Everest Group's Software Product Engineering Services PEAK Matrix® Assessment 2024
- Everest Group's Application Transformation Services PEAK Matrix® Assessment 2024 – North America & Europe
- Avasant's Tech-enabled Sustainability Services 2023–2024 RadarView™

ISG

Won the highest number of awards (6) at the **ISG Star of Excellence Award, 2023** for customer service (CX) excellence

Overall Star of Excellence winner among 150+ service providers

HCLTech's **CX score at 82.3** against industry average of 68.9

HCLTech positioned as a Leader in

- IDC MarketScape: Worldwide Application Modernization Services 2023 Vendor Assessment (doc # US51146923, Sept 2023)
- Everest Group's Healthcare Data and Analytics Services PEAK Matrix® Assessment 2023
- Everest Group's Medical Devices Digital Services PEAK Matrix® Assessment 2023
- Everest Group's Asset and Wealth Management IT Services PEAK Matrix® Assessment 2023
- Everest Group's Supply Chain IT Transformation Services for Retail and CPG PEAK Matrix® Assessment 2023
- Everest Group's Cloud Services in Insurance PEAK Matrix® Assessment 2023
- Avasant's High-Tech Industry Digital Services 2023–2024 RadarView™
- Avasant's Aerospace & Defence Digital Services 2023–2024 RadarView™
- ISG Provider Lens™ Power and Utilities - Services and Solutions - Next-Gen IT Services – Europe, North America, Australia 2023
- HFS Horizons: Travel, Hospitality, and Logistics Service Providers, 2023

For the full list of analyst recognitions, visit www.hcltech.com/analyst-recognitions

* Gartner, Magic Quadrant for Public Cloud IT Transformation Services, August 2023. * Gartner, Magic Quadrant for Managed Mobility Services, Global, July 2023. * Gartner, Magic Quadrant for Managed Network Services, November 2023. * Gartner, Voice of the Customer for Data Center Outsourcing and Hybrid Infrastructure Managed Services, Worldwide, November 2023. * Gartner, Magic Quadrant for Outsourced Digital Workplace Services, March 2024. * Gartner and Magic Quadrant are registered trademarks and service marks of Gartner, Inc. and/or its affiliates and is used herein with permission. All rights reserved. Gartner does not endorse any vendor, product or service depicted in its research publications and does not advise technology users to select only those vendors with the highest ratings or other designation. Gartner research publications consist of the opinions of Gartner's research organization and should not be construed as statements off act. Gartner disclaims all warranties, expressed or implied, with respect to this research, including any warranties of merchantability or fitness for a particular purpose. * Gartner Peer Insights content consists of the opinions of individual end users based on their own experiences, and should not be construed as statements of fact, nor do they represent the views of Gartner or its affiliates. Gartner does not endorse any vendor, product or service depicted in this content nor makes any warranties, expressed or implied, with respect to this content, about its accuracy or completeness, including any warranties of merchantability or fitness for a particular purpose. * The Gartner content described herein (the "Gartner Content") represent(s) research opinion or viewpoints published, as part of a syndicated subscription service, by Gartner, Inc. ("Gartner"),and are not representations of fact. Gartner Content speaks as of its original publication date (and not as of the date of this Quarterly report), and the opinions expressed in the Gartner Content are subject to change without notice.



Supercharging Progress for our Clients

Engineering and R&D Services (ERS)

We are a globally recognized leader in engineering services with expertise in both traditional and digital engineering, coupled with investments in emerging technologies. We help global enterprises across the world increase profitability, create new revenue streams and foster cross-industry collaboration with comprehensive offerings in product engineering, platform engineering, network engineering and manufacturing operations.

Key Highlights

No.1
Recognized as the top engineering services provider*

400+
Enterprises that trust us for their engineering programs

2,200+
Patents filed on behalf of clients, driving innovation

110+
Engineering labs accelerating time-to-market

$110B+
Addressable market opportunity**

*Everest Group's 2023 PEAK Matrix Provider of the Year™ Awards

**Zinnov Zones Digital Engineering Report 2022

Accelerating Engineering Innovation Across Industries

As new-age technologies continue to expand the frontiers of engineering and innovation, ERS draws from decades of diverse industry experience to supercharge some of the world's biggest businesses with their digital engineering, product and platform engineering and cleantech goals.

Our deep-rooted expertise in product and platform engineering translates to end-to-end solutions for our clients across a wide spectrum of industries, including ISVs, consumer electronics, semiconductor, telecom and networking, medical, manufacturing and transportation. We understand the challenges, opportunities and needs for each of these industries and help our clients establish the digital bedrock for their product innovation and engineering to deliver transformative digital experiences to thrive in this era of disruption.

Our Differentiators

- Strategic blend of traditional and digital engineering to provide greater certainty of outcomes for clients
- Outcome-based approach that focuses on going beyond efficiency
- Investments in 110+ engineering labs, 65+ solution accelerators and 20+ CoEs focused on nurturing emerging technologies
- Best practices from multiple industries working with top R&D spenders across 10 verticals and 40 micro-verticals
- Customer-centric innovations and patents to help enterprises stay ahead of competition
- Systematically orchestrated ecosystems to create special value for our clients and innovate for the future

Key Areas of Focus

GenAI

HCLTech helps organizations identify AI opportunities, develop strategies and create roadmaps for implementing diverse AI solutions. From GenAI to automation to quantum computing and 5G, we are ahead of technology cycles to ensure that our clients make the right business choices at the right time.

We offer a full-stack approach, from chip design and data engineering to large language models and AI-powered applications. This breadth, combined with over a decade of AI expertise and partnerships with top innovators in the space, allows us to unlock the disruptive potential of GenAI across diverse domains like IT services, software development, semiconductor and medtech.

The recently launched HCLTech AI Force™ is a dynamic suite of GenAI-powered solutions, designed to deliver engineering lifecycle transformation, amplified enterprise efficiency and accelerated time to market. HCLTech AI Force™ injects intelligence into every facet of the software and engineering workflows, from software development and testing to support and maintenance.

Building Intelligent Solutions

With our core engineering capabilities and years of experience in AI, our approach to GenAI remains practical focusing on secure and responsible deployment:

- **Copilot Apps for Enterprises:** Applications built on top of GenAI and LLM building blocks for on-prem/cloud deployment to assistor enhance any existing operations and workflow at enterprise level.
- **Human-like Conversation Experiences:** Immersive conversational applications with responsible AI integration and voice support incorporated smoothly into enterprise information systems.
- **NLP and Computer Vision Solutions:** Tailored natural language processing (NLP) and computer vision solutions, encompassing custom AI models, MLOps pipeline implementation and seamless integration with enterprise applications for optimal performance.
- **Custom LLM-based Solutions:** Applications built by finetuning large language model (LLM) on enterprise/domain-specific self-instruct data. We can leverage Open Source Commercial LLMs (e.g., Llama2, Falcon, MPT, StarCoder, etc.) as foundational models.

For more details on our GenAI strategy, see our AI and GenAI section on page 39.

Vertical Focus

ERS is sharpening its focus and strategically targeting high-growth verticals such as automotive, technology, semiconductors and manufacturing, which are undergoing transformative shifts and embracing game-changing technologies. By aligning with these pioneering sectors, HCLTech is developing targeted solutions and value propositions that directly address their unique challenges and help unlock their full potential. This focus ensures that we deliver the most impactful results and remain at the forefront of industry evolution.

Seamless Experience

Leveraging our expertise in engineering digital platforms, we are passionate about crafting interactions beyond physical spaces that empower consumers to connect with the world around them effortlessly. From the passenger journey in a car to navigating an elevator, to cutting-edge retail platforms, we engineer seamless digital experiences across various touchpoints.

IT-OT Convergence

Manufacturing is becoming more diversified following geo-political uncertainties and organizations are building high-tech and high-value manufacturing facilities. This presents a tremendous opportunity for organizations to break down silos between the IT and OT stack to unlock real-time data insights and optimized operations across the board. Our unique experience across infrastructure, applications, engineering and digital technologies puts us in a great position to deliver significant value and guide the journey toward a more integrated and intelligent future.

Cleantech

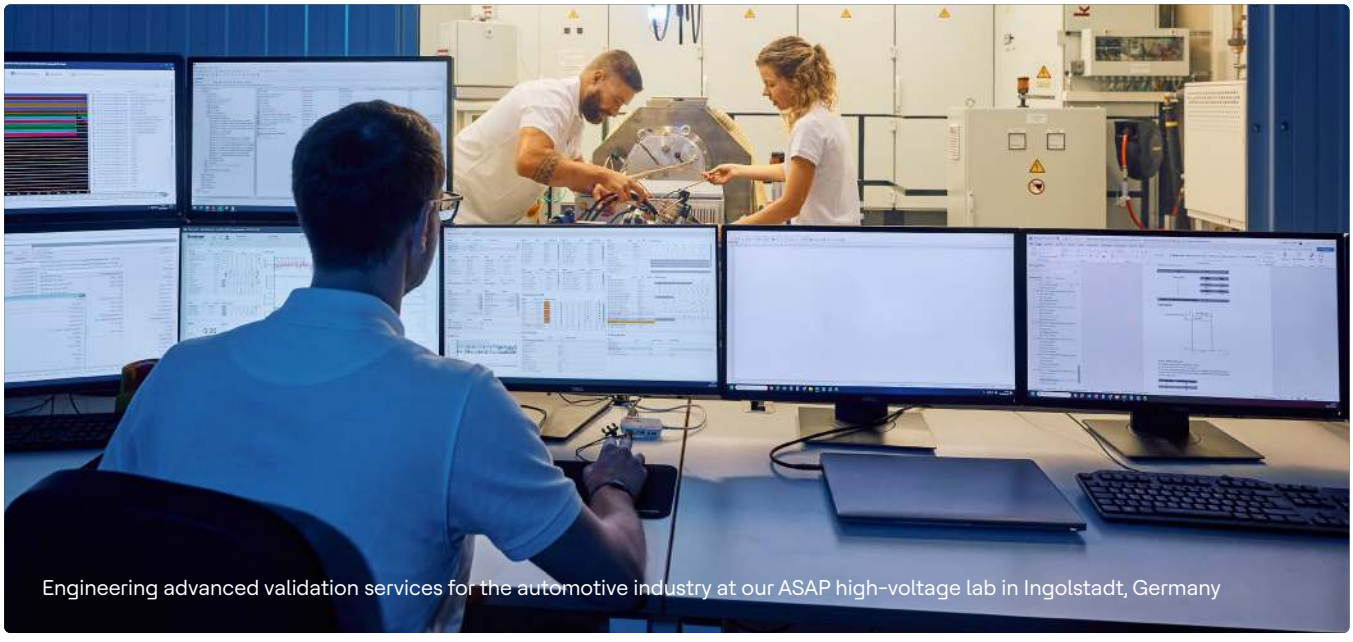
HCLTech is spearheading the charge toward a sustainable future by prioritizing clean technologies throughout the engineering lifecycle. Our focus is on designing and engineering products that are inherently clean and green, minimizing environmental impact from the outset. We are actively involved in developing cleaner manufacturing methods, fostering energy efficiency in projects and crafting intelligent systems for responsible resource management.

Accelerated Push for Automotive Dominance

HCLTech is rapidly expanding its footprint in the automotive industry, aiming to become a major player with solutions spanning the entire vehicle development lifecycle, from chip to cloud. The recent acquisition of ASAP Group, a leading German engineering services provider with deep automotive expertise, signifies a strategic step in this direction.

By merging HCLTech's global reach and digital capabilities with ASAP's established reputation and automotive domain knowledge, the company is now strongly positioned to deliver comprehensive solutions across the CASE (connected, autonomous, shared and sustainable, electric) domains. This strategic move positions HCLTech as a strong partner for driving innovation in the future of mobility and strengthens our presence in the German market, a key hub for automotive innovation.

HCLTech's comprehensive suite of services covers the entire automotive engineering lifecycle. This includes expertise in crucial areas for modern cars, such as Advanced Driver Assistance Systems (ADAS), electric vehicle powertrain technologies and connected car solutions. Our capabilities extend beyond these specific areas, encompassing chip design, embedded systems, software development and cloud integration, ensuring a holistic approach to vehicle development.



Engineering advanced validation services for the automotive industry at our ASAP high-voltage lab in Ingolstadt, Germany

Analysts Speak

HCLTech recognized as a Leader in IDC MarketScape: Worldwide Software Engineering Services 2023 Vendor Assessment

"HCLTech enables seamless adoption of software engineering initiatives, highlighting bespoke frameworks in key use cases to unlock inherent value for their clients. HCLTech's commitment to customized frameworks helps clients gain confidence and accelerates adoption. The synergy between their software engineering services team and internal research, CoE teams, ecosystem partners and clients ensure a collaborative approach to identify and co-create solutions."

Mukesh Dialani, Research Vice President, Digital Engineering and Operational Technology Services, IDC

HCLTech ranked as No. 1 engineering services provider by Everest Group

"We are pleased to recognize HCLTech as a top performer in our Engineering Services PEAK Matrix Provider of the Year Awards. HCLTech has performed consistently well across multiple important engineering segments such as software products, digital products, digital twins, industry 4.0 and connected medical devices as evaluated under multiple PEAK Matrix® assessments conducted in CY23. It stood out for its investments in upskilling talent, building CoEs and forging strategic partnerships with multiple hardware and software vendors."

Akshat Vaid, Partner, Everest Group

HCLTech commended for engineering services and PLM capabilities

"PLM is an essential component of large digital transformation programs and companies are investing heavily in digital thread and digital twin initiatives to ensure end-to-end digital continuity. HCLTech, with its strong Engineering Services heritage and extensive PLM capabilities, is well equipped to help clients achieve their business objectives by embracing a product-centric approach."

Peter Bilello, President & Chief Executive Officer, CIMdata

IT and Business Services (ITBS)

ITBS offers a comprehensive suite of digital transformation solutions in applications, AI, infrastructure, cloud and digital process operations to support the evolving requirements of global enterprises.

75+ of Fortune 200

- Leadership in cloud transformation
- Pioneer in integrating and transforming application and infrastructure services
- Differentiated Challenger in apps and data modernization
- GenAI starting to serve as a growth catalyst for data, cloud services, cybersecurity and the SaaS market

$1.5T*
Addressable market

$9.8B
FY24 revenue

6.2%
FY24 growth in constant currency (YoY)

*Gartner (April 2024)

Building the Resilient Digital Enterprise



Digital Business Services (DBS)

To stay agile in a rapidly changing business environment, enterprises need to reimagine technology, business architecture, operations, skills, talent and culture. HCLTech's DBS unit helps enterprises challenge the status quo by transforming their operating models, by identifying and rethinking the right experiences, enabling them with composable platforms and optimizing them with data-driven insights, all while ensuring sustainable value creation and impact.

Our Offerings

Digital Business Services help clients transform their value chains through five focus areas:

- **Digital Consulting** helps enterprises reimagine their value chains with experiences at the core to deliver innovative solutions. We offer experience design, industry capability definition, agile delivery transformation and organizational agility, empowering clients to reimagine their enterprise value chains.
- **Custom Application Services** help clients redesign and modernize their applications and platforms via composable architectures, microservices and cloud-based application consumption.
- **Commercial Application Services** focus on enterprise products and platforms, software as a service, customer engagement platforms and business integration services. These services generate intrinsic value for clients through significant ROI and business outcomes across the enterprise.
- **Data and AI Services** facilitate the enterprise to modernize data, simplify insights and scale AI to reduce tech debt, enhance data velocity and trust, deliver actionable insights and provide personalized experiences to transform human experiences and operations with AI.
- **Application Management Services** with our digital execution framework FENIX and ASM 2.0 proposition focused on next-gen operating model transformation across global enterprises.



Our Differentiators

Integrated Digital Business Services: Full portfolio of offerings — Digital Consulting, Commercial Apps, Custom Apps Engineering, Data and AI collaborate — to deliver value to clients.

Hyperautomation capabilities: This helps clients shorten the app development lifecycle, save costs and drive efficiencies.

Innovation: Our 60+ Innovation Labs and Scale Delivery centers help us co-innovate solutions at scale for clients.

Investment in next-gen technology: This helps us deepen and build capabilities in next-gen technologies like GenAI, blockchain, web 3.0 and metaverse, and engage with clients to co-create new and innovative products and platforms with faster time-to-value.

Industry-leading frameworks and solution IPs: FENIX, ASM 2.0 and Nexus frameworks have revolutionized how we strategize, execute and monitor apps. Our Digital 360 Advantage suite of solution IPs have enabled rich, data-oriented customer experiences.

Integrated Application Development (AD) and Application Service Management (ASM) execution: Expanded FENIX digital execution framework with ASM 2.0 proposition that focuses on next-gen operating model and platform for execution of ASM engagements.

Key Highlights

152
Patents powering 75+ solution offerings and IPs to drive innovation for our clients

400+
Global enterprises that trust us for their digital transformation programs

36
Partners achieving breakthroughs through collaboration with HCLTech

Clients Speak

"HCLTech helped us not only improve business processes and onboard new divisions but also reduce the technical debt. This allowed Stanley Black & Decker to simplify the application use with an intuitive UI and increase service levels to our clients."

Stephen Mascola, Senior Director IT - CRM, Stanley Black & Decker

"This strategically important project will allow Oriola to better respond to future customer and business needs, strengthen collaboration across the company, improve transparency and support managing the business in a cross-market operating model. Through a common system, we will strengthen our processes and have access to common data, both of which will support us in serving our customers better."

Mikael Nurmi, Chief Digital Officer, Oriola

"Engagement with our fans and community is of the utmost importance for Cricket Australia. We are focused on keeping people engaged in the sport from the moment they first pick up a bat and ball or watch a game. HCLTech has already supported us in transforming our tech stack and improving Australian Cricket's participant and fan digital experiences. The extension of this partnership and the world-class technology it provides will help cricket maintain and improve its place as the leading sport in the country."

Donald Elliott, General Manager, Australian Cricket Technology

Analysts Speak

IDC MarketScape Worldwide Application Modernization Services 2023 Vendor Assessment

"Against IDC's public cloud certification category, HCLTech exceeded industry benchmarks for talent certified on IBM and Alibaba, as well as AWS, GCP, Azure and Oracle. Against IDC's ISV skills and talent category, HCLTech exceeded benchmarks for the percentage of modernization staff dedicated to modernizing Microsoft, SAP and Oracle applications. Client feedback revealed that HCLTech's strengths centered on providing strong teams that were well connected within enterprise modernization efforts and possessed institutional knowledge of legacy environments. Clients also added that HCLTech was professional, had superb communication skills and possessed a deep body of previous experience in modernization that the clients could leverage."

Peter Marston, Research Director, Worldwide Intelligent Application Services, IDC

Microsoft Dynamics 365 Services PEAK Matrix® Assessment 2023

"HCLTech has showcased strong domain knowledge in BFSI and public sector for Dynamics 365 services. Also, it has invested in developing a wide array of horizontal and vertical-specific IPs and solutions leveraging next-generation capabilities. Clients have appreciated its balanced onshore and offshore resource mix. Collectively, these capabilities have helped position HCLTech as a Leader on Everest Group's Microsoft Dynamics 365 Services PEAK Matrix® Assessment 2023."

AS Yamohiadeen, Practice Director, Everest Group

ISG Provider Lens™ Salesforce Ecosystem Partners - Managed Application Services for Large Enterprises - US 2023

"HCLTech is an excellent Salesforce implementation partner with remarkable growth in the US."

Rainer Suletzki, Lead Analyst, ISG

Partners Speak

"The synergy of the CloudSMART program with the RISE with SAP offering will help customers maximize business value while leveraging cloud innovations on their journey to an intelligent enterprise. We look forward to the continued strategic partnership with HCLTech."

Harald Martin, Senior Vice President, Services Partner Business Development, Cloud Success Services, SAP SE

"The collaboration between HCLTech and Pega creates a terrific combination of technological expertise and innovative solutions to supercharge remarkable business transformations for our clients."

Alan Trefler, Founder & CEO, Pegasystems

"Success stories like these really signify the essence of our partnership and the value that we can unlock for our clients while working together."

Tony Sanders, Senior Director, Americas Partner Sales, Adobe

"The combination of the Databricks Data Intelligence Platform, built on the lakehouse architecture, and HCLTech's capabilities in business consulting, data engineering and data science capacities, have been instrumental in helping our joint customers achieve their strategic data plus AI transformation objectives. HCLTech has proven to be a powerful business partner, combining technical and data capabilities, industry experience, IP and innovation to deliver business value."

Jason McIntyre, Vice President, Partnership Development, Databricks

Our Partners

Acquia, Adobe, alteryx, appian, blueprism, BlueYonder, boomi, databricks, denodo, Informatica, MuleSoft, ORACLE, PEGA, salesforce, SAP, SITECORE, snowflake, software AG, tableau, TIBCO, UiPath, Veeva, workato

Vision for FY25

Our vision is to help our clients leverage the latest technologies to accelerate their digital transformation. We are committed to strengthening our capabilities in new-age technologies and domains, reimagining core processes in digital business and fostering talent and skill transformation at an accelerated pace. With a focus on incubating industry-specific products and platforms, we aim to create innovative solutions that drive tangible value for our customers.

As part of our strategy, we have infused GenAI into every aspect of our business. From operations to development, testing and beyond, we are committed to driving GenAI adoption at scale. GenAI will empower us to optimize processes, enhance efficiency and unlock new opportunities for innovation across the organization. By embracing GenAI as a foundational element of our propositions, we are poised to deliver exceptional value and stay at the forefront of the digital business landscape.

Digital Foundation Services (DFS)

DFS forms the bedrock of digital transformation journeys, offering next-gen AI and hyper automation-led infrastructure services and digital solutions. We are the only service provider globally to be recognized as a Leader in all Gartner Magic Quadrant™ reports related to DF services for 2022 and 2023.

Our Offerings

- **Hybrid and Multicloud Services:** Services in private/ hybrid cloud, cloud-native, multicloud deployments, edge computing and data center solutions.
- **Digital Workplace Services:** Highly personalized, experience-led and resilient end-user services, including next-gen smart service desk, to our clients.
- **Networks Services:** We enable large enterprises and telcos to modernize and manage their network infrastructure with solutions like SDWAN and private 5G.
- **Cybersecurity Services:** Services in next-gen security areas, including managed detection and response (MDR), AI and GenAI, identity and access management (IAM) and data security and services to enable clients to meet their compliance and regulatory environment.
- **Unified Service Management and Intelligent Operations:** We deliver efficiency and greater supplier management synergy, facilitating the assessment of the right service integration and management model for clients.

Our Differentiators

- Focus on hyperautomation and outcomes. Hyperautomated infrastructure services and digital solutions by HCLTech, proven automation and delivery platforms
- Resilient and secure services based on robust cybersecurity frameworks like Zero-Trust and Digital Identity
- Platform-centric delivery instead of people-centric delivery
- Hyper-personalized experience for end users powered by comprehensive suite of Fluid workplace solutions
- A global talent workforce with new-age skills and experience of embracing latest industry-leading solutions and operating models.

Partners Speak

"Our partnership with HCLTech helps our clients transform their offices through cost-effective managed services that support the ongoing evolution of workspaces. As we reimagine the modern office, we are making it easier to support collaboration and productivity among workers, whether they are in the office or elsewhere."

Alexandra Zagury, Vice President of Partner Managed and as-a-Service Sales, Cisco

"Organizations across the globe select the AI-native Falcon platform to transform and consolidate their cybersecurity. Our partnership with HCLTech extends the reach of the Falcon platform to new customers and markets, expediting spend consolidation and improving operational efficiencies. We are proud of the success that we're experiencing with HCLTech and are excited about the opportunity ahead – jointly on a mission to secure the world's largest enterprises on cybersecurity's winning platform."

Daniel Bernard, Chief Business Officer, CrowdStrike

"HCLTech offers a wealth of ServiceNow expertise to the world's leading businesses. It is an honor to extend our partnership to the co-creation of industry-specific GenAI solutions that will ignite our customers´ growth engines with transformative experiences."

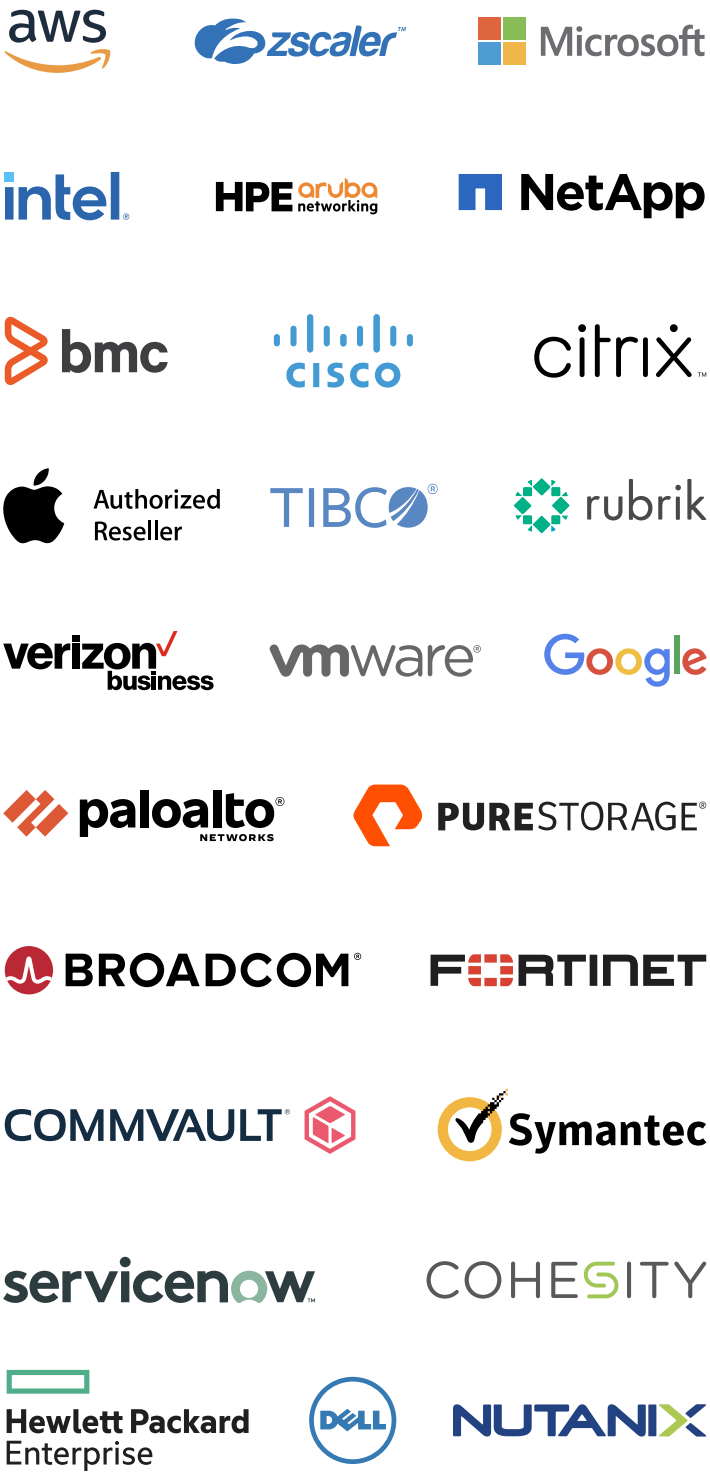
Bill McDermott, Chairman and CEO, ServiceNow

Client Speak

"In HCLTech, we found a partner who can help us innovate and scale effortlessly on a strong cloud foundation, strengthen our agility and competitiveness and help us maximize business value from our cloud transformation initiatives."

Anne Hadler, Head of IT Governance and Cross Functional Services, Siemens AG

Our Partners



Analysts Speak

ISG Provider Lens™ Cybersecurity – Solutions and Services – Strategic Security Services

"HCLTech takes a phased approach to delivering SSS. It develops a clear understanding of client needs and evolving market dynamics and trends to deliver a scalable strategy that includes a resilient security posture by design."

Gowtham Kumar Sampath, Assistant Director and Principal Analyst, ISG

IDC MarketScape: European Human-First Digital Workplace Services 2023 Vendor Assessment

"HCLTech has successfully strengthened its workplace consultancy capabilities with a focus on experience design and formalized its commitment to an XLA-based approach through contractual commitments with most of its customers. Extensive investment in human-first focused IP points to an ongoing commitment to future-proof its DWS offer."

Meike Escherich, Associate Research Director, European Future of Work, IDC

ISG Provider Lens™ ServiceNow Ecosystem Partners – ServiceNow Consulting Services – U.S. 2023

"In-depth industry know-how and strong technology delivery models are the major differentiators of HCLTech in the U.S. market."

Dr. Tapati Bandopadhyay, Lead Analyst, ISG

Vision for FY25

Our vision is to provide a digital foundation that serves as the bedrock for our clients' digital transformation by delivering scalable, next-generation solutions that build business resiliency, maximize efficiency and drive transformative growth.

Digital Process Operations (DPO)

DPO delivers next-generation operating models that can sustain high levels of speed, agility, efficiency and transformation within enterprises. We help our clients revolutionize customer experiences, modernize the business value chain end-to-end, unlock business capital and stay ahead of competition by leveraging our domain expertise, engineering, AI and GenAI capabilities and best-in-breed partner ecosystem.

HCLTech's integrated technology-led digital operations model reimagines client's operations across three broad digital stacks: digital workforce, digital process and digital technology.

Digital Workforce

The digitalCOLLEAGUE (dC) is HCLTech's domain-intensive, role-based, single-UI platform that works in collaboration with the human workforce. The platform, powered by emerging transformation technologies, fosters a truly digital workforce where human-machine collaboration enhances business operations, improving top line growth, cost efficiency, customer satisfaction and return on asset investment.

Digital Process

HCLTech deploys its ReOPS framework to drive transformation and re-engineering in business processes. This framework enables the identification, simplification, standardization and automation of processes through a data-driven approach. With our proprietary 3-Lever Business Process Modeling approach, AI-powered tools and comprehensive process blueprints, we help enterprises create digital target operating models for effective process discovery and orchestration.

Digital Technology

HCLTech leverages its Enterprise Function as a Service (EFaaS) model to provide on-cloud solutions for enterprises seeking cost reduction through business process optimization, application platform standardization/modernization and utility-based models. With EFaaS, we implement top technologies, deliver operational services and ensure integrated SLAs in a flexible cost model.

HCLTech's value engineering approach, powered by AI and GenAI, infuses digital capabilities into its products and services using enterprise-grade orchestration, engineering platforms and robust partner ecosystem. Our AI Center of Excellence prioritizes high-impact, high-value use cases across verticals and service lines and defines the spirit and framework for ethical and responsible GenAI. Our dedicated team of GenAI experts, use case library and solutions redefine customer experience and deliver enhanced business productivity. Some of our key engagements include developing automated KYC verification process via facial recognition for a leading bank, automated invoice validation through anomaly detection for a top oil and gas major and establishing a hyper-personalized customer experience center for a leading education company.

With state-of-the-art delivery centers across US, Europe, Latin America, India and Asia Pacific, DPO leverages its Integrated Global Delivery Model (IGDM) to provide clients with the best 'rightshore' delivery model. Our dedicated team of hyperautomation experts leverages robotic process automation (RPA), AI and GenAI, design principles and intelligent analytics to solve industry leading problems of our clients seamlessly.

Vision for FY25

Building on our strong growth over the years, we will focus on the following:

- Develop differentiated verticalized value propositions through strategic investments in IPs, CoEs and partner ecosystem to offer superior client value: i360 order-to-cash offering for manufacturing and oil and gas clients.
- Technology-led, AI-enabled innovation with customer experience at the core: We will continue to invest in new age technologies such as AI and GenAI, data analytics, CX labs, cloud and platform-based services. A significant part of this investment would also focus on training our employees on these new technologies.
- Continue creating custom target operating models and engagement constructs, driving the right balance of control, cost, flexibility and risk: HCLTech has executed varied engagement constructs ranging from joint venture, carve-out, build-operate-transfer, assisted captive, hybrid, pure-play third-party outsourcing and co-sourcing models in vested contracts for higher skin-in-the-game to deliver financial and business outcomes.



HCLTechies designing DPO solutions for clients

Analysts Speak

Intelligent Document Processing Products PEAK Matrix® Assessment 2023

"HCLTech's IDP platform EXACTO™, offers robust digitization, classification and extraction capabilities for semi-structured and unstructured documents. The interactive assessment generator capability iKnow, which creates training questionnaires from eBooks and manuals, along with capabilities such as generating text summaries and comparing legal contracts, are key differentiators for its IDP solution. The rich domain ontologies in trade processing, medical document triage and KYC, ability to generate synthetic data for improving model performance and the native web-crawling capability, have been instrumental for HCLTech to emerge as a Leader on Everest Group's Unstructured Document Processing PEAK Matrix® Assessment 2023."

Vaibhav Bansal, Vice President, Everest Group

Avasant Banking Process Transformation 2023 RadarView™

"Rising competition from fintechs and significant regulatory pressure require banks to transform processes in order to stay in tune with emerging service delivery models. HCLTech differentiates itself from its competitors through its deep domain expertise and continued investments in building extensive partnerships."

Shwetank Saini, Associate Research Director, Avasant

Everest Group Banking Operations – Services PEAK Matrix® Assessment 2023

"HCLTech continues to strengthen its position in established geographies like North America, the UK and Continental Europe, while making strategic inroads into emerging markets like the MEA region. With new client wins in lending, payments, retail banking and trade finance, HCLTech demonstrates its capabilities in catering to diverse financial domains."

Sahil Chaudhary, Practice Director, Everest Group

Partner Speak

"HCLTech and Automation Anywhere enjoy a strong partnership to help organizations globally transform their business by streamlining their complex enterprise processes and workflows with AI-powered automation to drive massive productivity gains and cost savings."

Mihir Shukla, CEO and Co-founder, Automation Anywhere

HCLTech Career Shaper™

HCLTech Career Shaper™ is the cornerstone of our EdTech Business Services and is dedicated to advancing talent acquisition, transformation and mobility for enterprises, talent development organizations and government skills initiatives. This dynamic platform serves as both a learning and assessment hub, providing a comprehensive array of products and solutions.

Career Shaper™ leverages HCLTech's extensive expertise in IT and engineering services. This comprehensive suite includes role-based learning programs, an assessment center featuring proctored assessments and hiring tests, a learning management system, immersive labs, domain-infused Capstones (Capstones are tech projects wherein learners can solve real world problems and challenges by applying the knowledge and skills they have acquired), intelligent deductive reports (that include score cards, proficiency reports, user attempt reports, etc.) and customizable learning pathways. These features are designed to facilitate talent readiness for existing and emerging roles, empowering individuals to adapt and excel in dynamic environments.

Our Offerings

1 **Platform and Products**

We offer robust, secure and compliance-driven technology platform solutions compatible with existing human resource management systems or learning management systems. Our customizable platform delivers curated job-specific learning, assessments, immersive labs with over 25,000 practice tests, near-live environment Capstones and custom reports.

2 **Learning Solutions**

Our domain-infused tech-learning-by-doing approach fosters a low-penalty, safe learning environment, amplifying talent productivity and learning effectiveness. With our technology role-based learning programs spanning AI, cloud, cyber, data, digital, engineering and more, individuals are empowered to swiftly adapt to new roles or enhance existing skills. We bring in industry practitioners and academicians to facilitate instructor-led skilling sessions.

3 **Assessment Solutions**

Our assessment platform enables over 150 job-specific assessments, including hackathons and code jams, tailored for technology and engineering roles and has a vast inventory of over 320,000 evaluations in the bank. We specialize in curating customized competency-based evaluations designed for skills-gap analysis, assessing job readiness and providing personalized career pathway recommendations.

4 **University and Higher Education Solutions**

We offer competency-based and industry-aligned learning programs in engineering, IT, data, cyber, cloud, AI , data center management and networking and other solutions that include learning products and labs to universities and higher education institutions.

5 **Talent Advisory Services**

Our team crafts and executes a holistic talent transformation strategy encompassing recruitment, skilling and repurposing initiatives at scale. We ensure seamless alignment with our clients' business visions to drive sustained growth and success.

6 **Integrated Services/Managed Services**

We provide comprehensive support including platform assistance, cloud management, dedicated program managers, coaches, mentors and customized content and reports.



Our Differentiators

- Omni-channel program delivery, seamlessly integrating a mobile platform to supplement or complement the web-based learning experience, facilitating enhanced candidate engagement.
- Expertise from all service lines in HCLTech to drive continuous innovation, ensuring the delivery of relevant learning and assessment programs that meet the evolving needs of our clients.
- Domain-infused learning content and multi-disciplinary programs, setting us apart from the competition.
- Programs spanning entry-level jobs, early careers, return-to-work, upskilling for continuity, cross-skilling for inclusivity and for those who want to stay relevant in the digital world.
- Global experience in setting up IT operations, focusing on localized talent development for global career success.

Key Highlights

150+
Tech role-based learning programs and assessments

20+
Organizations in G2000 and equivalent companies as clients

8K+
Concurrency for hiring tests

3K+
Concurrent learners

Some of our Fortune 500 and Global 2000 clients in engineering, gaming, publishing, BFSI, healthcare and talent advisory have chosen HCLTech's Career Shaper™ for scaling entry-level tech skilling, upskilling for talent mobility, setting up strategic delivery units, etc. Additionally, we have established partnerships across key regions including North America, EMEA and APAC. Our involvement in government initiatives to develop local talent, skilling sectorial councils and large organizations underscores our commitment to shaping talent transformation strategies.

Collaborations with NCVET and NSDC



(L to R) HCLTech Corporate Vice President and Global Head, EdTech Business Srimathi Shivashankar with Dr. NS Kalsi (M), Chairperson, National Council of Vocational Education and Training

HCLTech has been granted the Dual Awarding Body status by National Council of Vocational Education and Training (NCVET), under the Ministry of Skill Development and Entrepreneurship. We are the first non-government institution in India to receive this recognition. We will serve as both an awarding body and an assessment agency for our approved and adopted qualifications listed on the National Qualifications Register (NQR). The first set of approved qualifications include Data Engineering with Analytics and Visualization, Full Stack Java Developer with AI and Java Web Development with AI.

HCLTech and the National Skill Development Corporation (NSDC) inked a strategic partnership to jointly provide solutions in the areas of skilling and assessments for educational institutions, enterprises, job aspirants as well as for companies in the learning and development space. The focus of the partnership is to facilitate adoption of competency-based job skilling and assessments by all 36+ sectors through standard frameworks approved by the National Council for Vocational Education and Training (NCVET).

CloudSMART

HCLTech CloudSMART, a consulting and ecosystem-led strategy, transforms the ways HCLTech engages with clients to optimize the value of their cloud investments. HCLTech CloudSMART provides core capabilities to govern, secure and connect clouds while accelerating the modernization of applications and data to power business transformation.

Our Solutions and Services

Historically, companies were attracted to cloud's favorable cost models. This cost-based value proposition is being replaced by positioning cloud as a strategic business enabler. Cloud provides a resilient, agile business platform, enabling organizations to operationalize technologies like GenAI.

CloudSMART established an expanding base of global clients in the last fiscal year. The consistent growth of our cloud revenue is driven by investments made in **CloudSMART Industry Solutions** and **CloudSMART Industrialized Services**.

Industry Solutions

CloudSMART Industry Solutions feature GenAI capabilities and assets developed for emerging industry requirements. The solutions accelerate transformations across industries, including manufacturing, financial services, healthcare, retail and telecommunications. HCLTech Industry Cloud combines industrialized processes and improves on the cloud platform capabilities provided by hyperscalers, HCLTech Ecosystem Partners.

CloudSMART Industry Solutions accelerate time-to-market for clients and provide relationships with hyperscalers. This has led to increased visibility for HCLTech and broader adoption of HCLTech capabilities. Adoption of these solutions provides growth opportunities across all HCLTech business segments, including Digital Foundation Services, Digital Business Services and Engineering and R&D Services.

Industrialized Services

CloudSMART Industrialized Services enable highly automated, repeatable services that accelerate delivery of core HCLTech capabilities including application migration and modernization, cloud native development, data modernization (which is critical to implementing new GenAI solutions), infrastructure operations and packaged applications like SAP, Oracle and Microsoft Dynamics 365. Using validated architectures, factory-based execution and service unit-based commercial models, these services deliver faster business outcomes.

As multicloud has become the standard for most enterprises, our holistic Industrialized Services are optimizing the financial value of cloud to business outcomes and accelerate the development and implementation of enterprise solutions, which showcase HCLTech's engineering expertise and HCLTech IP. These services provide predictable outcomes in shorter timeframes, decreasing time-to-value for the client and improving margins for HCLTech. Industrialized Services are preferred by businesses focused on implementing production quality GenAI solutions.



Siki Giunta (C), EVP and Head, CloudSMART and Google Cloud Ecosystem at HCLTech, briefing visiting delegates at AWS re:Invent 2023

Ecosystems

The interplay of consumer demands, technological progress and data-informed approaches is reshaping the business landscape. HCLTech partners with leading technology companies to form a robust ecosystem to help enterprises navigate this dynamic and complex environment more efficiently. We harness the power of cloud, GenAI, IoT, blockchain, cybersecurity, DevOps, data science, edge computing and quantum computing to drive innovation and sustainable growth for our clients.

Strategic Alliance Partner Ecosystem

We prioritize emerging technologies through partnerships with leading technology companies, facilitating the creation of innovative IPs and solutions. Through extensive cooperation with our ecosystem partners, we develop sophisticated solutions that help our clients accelerate their digital transformation journeys and stay competitive. Our CloudSMART strategy ensures adaptability and success for all stakeholders — clients, partners and HCLTech — in dynamic business environments.

Ecosystem Units
Full-stack aligned by each ecosystem

360 Degree (Sell-To)
Services OEM/Products

Cloud Native Labs/ FinOps/Cloud Consulting
Enabling cross-ecosystem collaboration

Joint Go-To-Market
Geographies and industries

Startup Ecosystem

We have a distinctive and innovative ecosystem that unites startups, venture capitalists and trade missions globally. Through our startup accelerator and innovation initiative, Startup Ecosystem Innovation Platform and Program (eSTiP™), we facilitate the co-creation of technology solutions via an open innovation model. Governed by HCLTech's Enterprise Technology Office, eSTiP™ operationalizes innovation and fosters extensive collaboration among diverse stakeholders. Employing a systematic and scalable approach to idea funnel management, prototyping, deployment and commercialization of these technology solutions, eSTiP™ helps accelerate the creation of innovative solutions that offer tangible benefits to clients.

Industry Ecosystem

We remain actively engaged with leading industry forums and foundations. Our partnerships include prominent organizations such as the World Economic Forum (WEF), The Open Group, Cloud Native Computing Foundation (CNCF) and Cloud Foundry Foundation (CFF), among others.

verizon business | HCLTech

Global Strategic Partnership to Bring Next-Gen Managed Network Services to Customers

"As we were looking where we'd want to go with this, we decided we wanted to bring a partner in who has really deep expertise on more of the IT side. We wanted to partner with the best in the world. If you look anywhere, you will see that HCLTech is up there."



Kyle Malady, CEO, Verizon Business

"This is a strategic partnership. On day one, it helps us service a very large number of Fortune 500 clients for the managed network services through Verizon Business. We leverage the extensive power and market presence of Verizon Business and the telecom capabilities they have. It is really bringing together the best of networking power and service capabilities that we can offer to our clients."



C Vijayakumar, CEO & Managing Director, HCLTech



Transforming Managed Network Services Together

HCLTech and Verizon Business announced their strategic partnership in August 2023, bringing together two global leaders in enterprise networking as managed network services (MNS) collaborators for global enterprise network deployments. Verizon Business will continue to lead all customer acquisition, sales, solutioning, and overall planning and development with its customers. HCLTech will lead post-sales implementation and ongoing support.

Customers will benefit from a best-in-class MNS portfolio, a highly digitized experience with data-driven service models, enhanced efficiency and lifecycle management with frictionless interface, a broad end-to-end partner ecosystem and joint innovation on an integrated platform.

Over the last several years, the managed network services landscape has changed significantly due to technology advancements requiring more automation, AIOps, predictive analytics and tighter integration with IT service management platforms. There is also an enhanced need for real-time visibility to improve operational efficiency and customer experiences for organizations across industries. The two companies have come together to address these evolving needs of the managed network services market with their joint capabilities.

Creating Value for Customers

This partnership will enable HCLTech and Verizon Business to serve their customers and provide flexible solutions to address their business needs. Some of the key benefits include:

1. High-quality commitments, service quality and data security
2. Single ownership for service quality and business outcomes
3. Innovative network solutions with improved software tools, automation and AI-enabled capabilities

Beyond Managed Network Services

The HCLTech and Verizon Business partnership started with managed network services, but it has already begun to blossom into a more comprehensive portfolio with newer offerings that leverage the companies' respective strengths and capabilities. Launched during Mobile World Congress 2024, Flexspace 5G is aimed at transforming digital workplace services. The mantra for both organizations is to recognize the best each has to offer and use that expertise to drive innovation and bring best-in-class solutions to market, faster.

Verizon Business Team Visits HCLTech Campuses in India



Verizon Business leadership team led by CEO Kyle Malady (R) inaugurating a delivery center in Chennai, India along with HCLTech CEO & Managing Director C Vijayakumar



Ivan Berg, Vice President at Verizon Business, lighting a ceremonial lamp at our Chennai office



Verizon Business leadership team with children from HCLFoundation's Sports for Change program in Chennai

AI and GenAI

AI and GenAI technologies are rapidly changing the face of enterprises, public institutions, consumers and society at large. Analysts and experts estimate the global AI and GenAI market to be worth $1.8 trillion and $1.3 trillion, respectively, by 2030. The innovations that AI and GenAI technologies could ignite for businesses of all sizes and levels of technological proficiency in the years ahead are indeed exciting and enormous.

Global AI Market

2024 **$270B** › 2030 **$1.8T**

Source: Draup

CAGR: 37.3%

Global GenAI Market

2024 **$66B*** › 2032 **$1.3T****

Source: *Statista **Bloomberg

Our full-stack proposition addresses the entirety of an enterprise's GenAI needs, covering business transformation, business processes, products, applications, platforms, data, cognitive infrastructure and semiconductor design.

These full-stack capabilities are unparalleled in the market right now, and our flagship offerings of AI Force™ and Enterprise AI Foundry, along with our global network of AI labs, are bringing them to life for our clients across the globe.

Our Three Key Offerings

AI Force™: It offers a highly customizable suite of GenAI-based solutions that inject intelligence into every aspect of software development and engineering workflows to improve efficiency and quality. Through our accelerator-supported, consulting-driven approach, our solutions are highly tailored and able to accommodate the most unique of our clients' needs, while benefiting from a more cost-effective price point and a faster delivery experience. AI Force™ is integrated with all the leading LLMs including Google Gemini, Microsoft GitHub Copilot (GHC), IBM watsonX, Amazon Claude 3 and OpenAI.

Enterprise AI Foundry: This is an integrated suite of assets combining data engineering and AI with cognitive infrastructure to accelerate GenAI-led transformation across enterprise value chains.

AI Labs: These provide a collaborative space for our clients to build GenAI POCs and take them to scale production at a swift space. These labs, set up to power innovation and build industry MVPs, have hosted over 1,400 customer engagements and have been engaged in over 200 projects for GenAI advisory, engineering and consulting services. All our labs include a Microsoft GHC CoE and are designed to enable:

- Early strategy discussions with clients on their GenAI vision and exploration of the "art of possible" with a global showcase of use cases and implementations
- Hands-on acceleration across engineering, design and operations
- Reskilling and learning workshops for building modern AI skills and practices

Our Strategic Focus Areas

Our comprehensive and full-stack approach prioritizes innovation while upholding ethical AI standards for privacy, intellectual property, fairness and accuracy.

HCLTech has successfully implemented specialized chips designed specifically to run AI workloads efficiently for faster throughput and power efficiencies. We are also helping our semiconductor chip customers go to market faster by using AI for processes such as design, layout, porting, etc.

In addition, we empower businesses with a wide range of services around Cognitive Infrastructure. We deliver solutions around high-performance compute, storage, network infrastructure optimization and security. In terms of software engineering, we build powerful and intelligent solutions such as GenAI Copilots, human-like conversation bots, NLP and computer vision applications and products, which are designed to revolutionize processes, workflows and operations. The solutions are built on the foundation of advanced GenAI and LLM technologies, ensuring seamless on-prem/cloud deployment for enhanced efficiency and platform independence.

Our solutions are also ecosystem-driven having been built in collaboration with hyperscalers, semiconductor chip and tech OEMs coupled with a vertical-aligned approach, leveraging custom language models to tailor solutions for industries. We prioritize capability building through partnerships with academia, consulting and industry, while offering horizontal solutions to address diverse business needs

Our Innovations

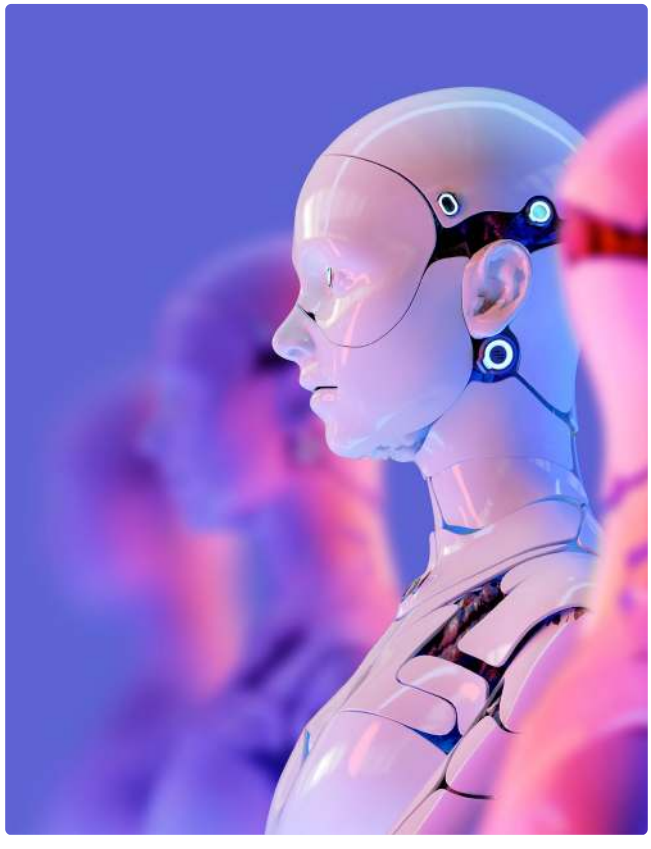
Breakthrough innovation in silicon as the foundation for GenAI:

- **Custom chips** developed with hardware accelerators like Transformers, Variational AutoEncoders (VAEs) and Deep Convolutional GAN (DCGAN) significantly improve the performance of specific AI models and hyper-local AI models with guaranteed low-latency and high-performance/watts compared to COTS CPU/GPUs. These chips improve the compute efficiency and deliver the performance needed to handle demanding GenAI workloads, enabling the processing of massive datasets for superior content and context understanding. They are designed with the most efficient architecture that will facilitate a variety of newer and better user experiences.
- **Extreme compression technology** for deep learning to offer near-edge AI solutions in IoT and consumer markets on their existing low MCU devices with 256 KB.

Breakthrough innovation in silicon lifecycle development through GenAI:

- **GenAI-assisted pre- and post-silicon and platform validation**
- **Porting of implementation across foundries** and technology nodes
- **Code Generator:** Productivity improvements for auto code generation, such as for log parsing, file system creation for the cloud performance benchmarking projects which delivers around 25% productivity improvement
- **Meta Mate (Llama 2) Integration:** For test documentation and code review
- **Smart Migration and WorkSmart:** Adoption of GenAI for derivative and technology migration
- **ROIC Model for Data Centers:** The model helps clients make informed decisions on the Cognitive Infrastructure needed for their AI journey. Our AI labs have the infrastructure in place to enable clients to deploy their models and test them to assess their return on invested capital.
- **Copilot Apps for Enterprises:** Applications built on top of GenAI and LLM building blocks for on-prem/cloud deployment to assist or enhance any existing operations and workflows at the enterprise level.
- **Human-like Conversation Experiences:** Immersive conversational applications with responsible AI integration, voice support and incorporated smoothly into enterprise information systems.
- **NLP and Computer Vision Solutions:** Tailored NLP/ Computer Vision solutions, encompassing custom AI models, MLOps pipeline implementation and seamless integration with enterprise applications for optimal performance.
- **Custom LLM-based Solutions:** Applications built by fine-tuning LLM on enterprise/domain specific self-instruct data using open-source commercial LLMs as foundational models.

We will continue to use our engineering depth to create new GenAI-enabled solutions that deliver superior value to our clients, achieve powerful outcomes and enable HCLTech to offer differentiated and relevant solution offerings.



Our Investments

Fueling our momentum in the AI and GenAI market is our solid investment in people, places and partnerships:

People: HCLTech understands the critical need for skilled GenAI talent. We are committed to comprehensive training dedicated to developing both our internal solution developers and our clients' implementation teams. Partnering with top-tier technology companies, the HCLTech global GenAI academy equips our teams with cutting-edge expertise in GenAI. This ensures everyone involved stays ahead of the curve and maximizes the transformative potential of this powerful technology. We have made an incremental commitment of training 50,000 additional HCLTechies on AI and GenAI skills during this fiscal year. Our focus is on Data/AI/GenAI developer skilling across the stack with a special focus on creating a cohort of Data /AI principals.

Places: We have opened AI labs in UK, US and India and a GenAI-dedicated data center in Austin, Texas. We have also recently announced a new collaboration to establish a GenAI CoE based on the IBM watsonx™ AI and data platform.

Partnerships: Our expansive ecosystem of partners continues to be our bedrock of growth in this market. We have strategic partnerships with all the leading hyperscalers, ISVs and systems OEMs that keep us at the forefront of the key innovations happening in this space.

Microsoft aws Google

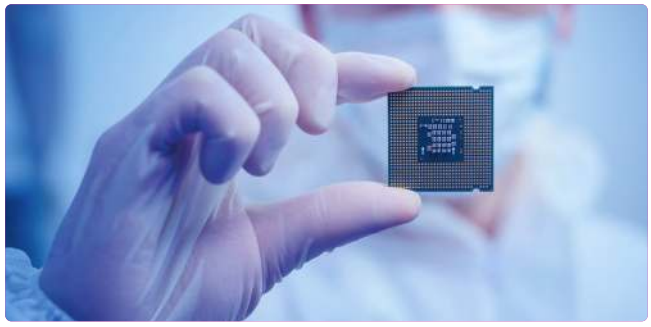
NVIDIA intel DELL

AMD Hewlett Packard Enterprise

Red Hat IBM SAP

vmware CISCO

HCLSoftware



Value Creation for Clients

Here are some examples of the business impact we have created for clients through our AI and GenAI offerings:

- A leading technology company collaborated with us to innovate their workflow processes using GenAI, leading to remarkable improvements in automated data handling, operational efficiency, resource management and accelerated service delivery, culminating in a more insightful gaming user experience.
- A leading healthcare provider partnered with us to develop an LLM-powered medical conversational agent, significantly saving healthcare workers' time by over 40% and enhancing patient care through swift, accurate responses.
- Collaborating with a semiconductor leader, we played a crucial role in the development of a high-performance edge inference chip by utilizing in-memory compute architecture and leveraging our expertise in system-on-chip (SoC) design, packaging and validation.
- A major European bank partnered with us to develop a cognitive banking helpdesk solution which not only improved customer service efficiency by over 20% but also enabled service customization and language versatility, promoting a seamless banking experience.
- A leading medical technology company leveraged our innovative voice recognition platform to transform their medical procedures with the help of touch-free control for endoscopes, enhancing procedural efficiency and safety.
- A global automotive leader partnered with us to revolutionize design optimization and predictive performance analysis through the development of a no-code AI software solution, marking a significant milestone in automotive engineering. The collaboration included streamlining engineering designs, anticipating workflows through 3D deep learning and implementing uncertainty quantification for scenario-based model behavior analysis.
- We established a GenAI lab for a pharmaceutical company dedicated to enabling pioneering research and development. We focused on building a cognitively-equipped infrastructure and creating evidence-based solutions for complex challenges, thereby accelerating drug discovery while adhering to responsible AI guidelines.

HCLSoftware

HCLSoftware offers software products and cloud-based solutions across Total Experience (TX), Business Applications and Industry Software, Data and Analytics (Actian), Intelligent Operations (IO) and Security and Compliance, along with a bucket of Specialized Products, to make organizations more competitive while providing strategic insights and technologies needed to succeed in an increasingly hyperconnected world.

HCLSoftware is driven by purpose with an element of passion, sense of pride and orientation toward results, delivering sustainable growth for partners, customers and society.

Our purpose is fueled by empathetic and value-centric approach to customer requirements, thereby rendering best technology choices that are driven by strategic flexibility. This is what makes us different.



Key Highlights

HCLSoftware empowers 65 of the Fortune 100 and 220 Fortune 500 companies worldwide. Our world-class team and an unmatched portfolio of innovative, comprehensive software products and solutions drive success as they bring our business partners and customers into the digital+ economy.

130+
Countries where we have clients

75+
Products

20,000+
Clients globally

1,185
Business partners

7,400+
Employees

19
Innovation centers

Our products help:

Secure and manage **100 million endpoints**

Achieve **98% faster** vulnerability remediation

Reduce static app security testing false positives by **98%**

Save 50% in application development costs

Process **$200 billion** in online sales transactions annually

Generate **2 million** conversational AI interactions per month

Clients Speak

HCL Digital Experience will further reduce the cost of ownership while allowing us to keep the software up to date with the latest HCLSoftware has to offer. We are excited for what the future holds and look forward to advancing and improving everyday life."

Rick Fryar, IT Architect, 3M

HCL DRYiCE is incredible at mimicking human interactions, and when combined with Generative AI, it creates a whole new level of interactive excellence for our employees internally! DRYiCE's AI expertise enabled self-guided issue resolution and enhanced analytics, leading to informed decisions and increased productivity."

Geoffrey Wright, Global Solutions Owner, Employee Experience, Mondelez

Analyst Speak

The Forrester Wave™: Unified Endpoint Management, Q4 2023

HCL BigFix Workspace is the newest enhancement to the HCL BigFix product line; it provides comprehensive management over workstations, laptops, mobile devices and servers. HCL BigFix has a fantastic reputation for solving real customer problems, which contributes to the company's market-leading NPS, client retention and net-revenue retention numbers."

Andrew Hewitt, Principal Analyst, Forrester

The Forrester Wave™: Static Application Security Testing, Q3 2023

HCL AppScan has the largest coverage of languages and frameworks, including Rust, Dart, and ABAP. In addition, HCL AppScan's "bring your own language" feature meets any customer need. Many out-of-the-box policies, rules and customizations are possible. Users can choose scan speed versus coverage when creating a scan."

Janet Worthington, Senior Analyst, Forrester

IDC MarketScape: Worldwide Omnichannel Marketing Platforms for B2B Enterprises 2023 Vendor Assessment

Scalability and global reach make the platform well suited for businesses with large customer bases or global operations. The company has the capabilities to handle complex omni-channel marketing initiatives and provide localized support across different regions."

Gerry Murray,
Research Director, Marketing and Sales Technology, IDC

Roger Beharry Lall,
Research Director, Advertising Technologies and SMB Marketing Applications, IDC

Our Partners

Hyperscalers

Google Cloud, Microsoft, aws

Channel Partners

LAUREN, FIVEPLUS, Decsoft, COMPUCON (Compucon Computers Ltd. (A member of KARIN Group)), carahsoft, cbts, one, IODA, PERFICIENT

Tech Partners

solarwinds, SCALINX, intel, databricks, AMD

Davos Dialogues



Tech-led Disruptions and Trust

During the World Economic Forum's Annual Summit in Davos in 2024, Kalyan Kumar, Chief Product Officer, HCLSoftware, participated in a panel discussion with technology and business leaders from Volvo Group and Honeywell to discuss technology-led disruption, opportunities and impact. He talked about how bringing the right data together, building new use cases using AI and contextualizing AI will help enterprises extract maximum value from their data and investments in AI rather than using a broad-based approach. He highlighted HCLTech's Startup Ecosystem Innovation Platform & Program (eSTiP™) that is helping establish strategic co-pilots with our customers' global business lines to meaningfully implement AI and GenAI use cases.

Outlook for FY25

Technology is sprinting ahead, fueled by giant trends like big data, cloud and GenAI. The digital+ economy is not just growing — it's booming. At HCLSoftware, we do not just keep pace; we are leading the charge. Our portfolio and teams have undergone a transformation, purpose-built to empower our business partners and customers to master this historic shift.

Technology Trends: HCLSoftware will put its AI philosophy into practice — adopting, embedding, plugging in and infusing AI from its products into cloud and XaaS solutions. HCLSoftware will continue to enrich its products with key GenAI capabilities to bring new productivity and efficiency benefits to its customers.

Market Growth Opportunities: HCLSoftware will continue to expand its footprint in high-growth markets across Africa, the Middle East and India. We are targeting opportunities to support high-growth market potential by partnering with businesses and governments to further nurture the global technology ecosystem.

Knowledge and Innovation Investment: HCLSoftware has made substantial investments in India and offers numerous built-in-India software solutions from which customers benefit worldwide. Through the Make in India initiative, HCLSoftware continues to accelerate its focus on knowledge and innovation.

Adoption Trends: To address the increasing demand for cloud-based solutions, we will continue to advance our cloud solution strategy:

Business Cloud, combining multi-source data, integrations and simplicity with speed and efficiency

Total Experience Cloud, offering packaged capabilities along with the power to build low-code or multi-channel, multi-experience applications

Hybrid Data Cloud, with a range of data platforms, approaches and capabilities to choose from

Intelligent Operations Cloud, melding all of our automation assets into globally scalable, AI-enabled secure cloud solutions

Security and Compliance Cloud, enabling observability, remediation and analytics across security and compliance

Boasting a dynamic array of software solutions that have consistently delivered success for our clients, our partners and ourselves, HCLSoftware has emerged as a market leader. Looking ahead, we are armed with cutting-edge technology, unmatched human talent and robust business partnerships, all strategically aligned to thrive in the flourishing digital+ economy through strategic investments in its most promising frontiers.



Supercharging Progress for our People

Enabling Our People to Find Their Spark

Our 227,000+ people propel our progress everyday through their passion and commitment. They help us create differentiation in the market. We are focused on attracting the best talent and helping them find their spark by providing them with empowering and inclusive workplace experiences.

Tenets of Our Employee Value Proposition 'Find Your Spark'

Embracing next-gen work environment and culture

- Freedom to experiment in your role; for those ready and so inclined, it's also the flexibility to pivot industries or change roles
- Skill-based learning opportunities at all levels
- TalentXchange and MentorMe initiatives for employees
- Hybrid operating model
- Early-career programs (i.e., sponsored tuition assistance and apprenticeship post-HS, etc.)

Providing exciting employee experiences

- ESG/CSR focus
- Truly international culture
- Diverse and inclusive environment
- Ideapreneurship — the ingrained belief that anyone, no matter what level, can produce an idea, and if proven successful, is given the support to scale it
- Recognition programs
- Employee engagement driven by ERGs
- Wellbeing and work-life integration

Creating job enriching experiences

- Ability to make the world's biggest and best brands work better
- Industry-leading work, often the first of its kind
- Focus on next-gen capabilities and talent
- Full spectrum of work across digital, engineering, cloud, AI and enterprise software

Delivering employment that fuels confidence

- Frequently awarded best employer
- Global scale you can rely on
- Fastest-growing large tech company



HCLTechies during Christmas celebrations in India

Our People-centric Culture

We are a global top employer

We offer our people an inclusive work culture and empower them to undertake exciting opportunities to collaborate with some of the biggest global brands. We focus on next-gen capabilities and talents and provide learning opportunities at all levels. We give our people the freedom and flexibility to find their spark and grow in their own unique ways.

Our Efforts in Skill Development

26,100+
Employees trained in digital skills

27,400+
Employees benefitted from behavioral and leadership skill development courses

93%
Employee trained in core skills

8M+
Total person-hours invested in training

Our Talent Strategy in the AI Era

The companies best suited to achieve success put upskilling and training at the core their agenda. This is also in line with employee expectations. At HCLTech, we have taken concrete steps to expand our ability to upskill our people. We have democratized upskilling to enable employees:

- To find and match their mentors with specific skills they are seeking to gain
- To openly leverage internal talent exchange platforms for job rotations and for wider global experience that can help build new skills
- To start their career early (for some as early as high school) to stay ahead of the curve and develop skills in line with what industry demands

Key Programs

Certified People Manager Program

Launched in April 2023, this certification program equips people managers with an effective mindset, skillset and toolset to foster inclusive leadership and do meaningful, development-focused performance conversations. By effectively conducting daily interactions, managers can set clear goals, exhibit care, recognize performance and increase engagement levels. The program has three levels: Foundation, Intermediate and Advanced certification.

In FY24, 5,100+ managers completed Foundation level while 2,000+ are enrolled in the Intermediate level and are progressing toward certification.

MentorMe

HCLTech's MentorMe is a platform where employees, managers and leaders come together to share knowledge and experience for mutual enrichment and development. MentorMe connects colleagues to share their expertise while building interdepartmental networks and creating a supportive team culture. Through a profile-matching algorithm, mentees can find mentors who can provide expert advice on the subjects and skills they need, whether for their current role or next role.

We are currently running eight mentorship programs through our MentorMe platform. Nearly 18,700 employees, 30% of which are women, are now part of these programs across 53 countries.

TalentXchange

TalentXchange is HCLTech's talent mobility program. It's an AI-powered talent marketplace that helps employees search and apply for new roles and opportunities within the company. The program offers internal growth and mobility opportunities based on evolving career aspirations.

Over the past year, the platform has facilitated the submission of applications for career transfers by 36,000 individuals.

At HCLTech, we believe that we must focus on both upskilling and reskilling our employees to meet the needs of processes refactored by GenAI.

Aspire

Aspire learning paths offer organization-wide digital and emerging technology self-learning courses to help employees become digitally savvy. These technologies include AI, GenAI, machine learning, cloud computing, data analytics, robotic process automation and more.

Aspire has a global uptake of ~14,000 employees in last four months.

Aspirational Learning Journey

Aspirational Learning Journey is a strategic program that provides an opportunity to employees to develop in-demand skills such as GenAI. It involves aligning skill-based learning journeys with long-term business objectives, investing in career aspirations and growth of the employees by enabling internal fulfilment and fostering a culture of learning and upskilling.

38,000+ employees have registered in 86 skill-based learning journeys.

Expanding to Global Nearshore Regions

We continue to strengthen our global delivery network with the expansion to global nearshore locations. This expansive network is testimony to our global delivery and service excellence in line with the growing market demand and broadening talent pool. Our industry-leading localization efforts further strengthen our engagement models, ensuring an inclusive and diverse set of people and creating unmatched value for our global clients.



HCLTech Chairperson Roshni Nadar Malhotra at the inauguration of our Morocco delivery center



HCLTech CEO & Managing Director C Vijayakumar inaugurating our global delivery center in Iasi, Romania

Nearshore Delivery Scale

70+
Delivery centers in nearshore countries

19
In-demand languages covered

24,000+
People

20
Nearshore countries

500+
Clients trust HCLTech nearshore locations

90%+
Local talent

Expansion into New Vistas

Our New Vistas centers allow us to access abundant talent in upcoming hubs in India while creating local employment opportunities. HCLTech has state-of-the-art facilities and strong leadership at its expansive network of New Vistas locations - Lucknow, Madurai, Nagpur and Vijayawada. Together these centers employ around 25,000+ people working across digital, engineering and cloud/AI.



A celebration at our Lucknow office

Investing in the Next Generation of Talent

Our early-career program TechBee offers opportunities to high school students to develop tech skills and pursue full-time careers. The program is a unique blend of classroom and on-the-job training components. After completing the program, students can pursue higher education programs at leading educational institutes including Indian Institute of Technology Guwahati, Birla Institute of Technology Pilani and SASTRA University.

HCLTech recently partnered with the National Skill Development Corporation (NSDC), the principal architect of India's skill ecosystem, to expand the program's accessibility even further. HCLTech will spend the next few years educating high school children in advanced technologies, preparing them for the constantly changing prospects in the IT industry. NSDC and HCLTech have jointly certified these programs.

HCLTech's Employee Resource Groups: Driving Employee-led DEI Progress

Our goal is to nurture groups within our organization that create a deep sense of belonging. Our Employee Resources Groups (ERGs) give our people a community resource to gain connection, emotional support and strategic and professional guidance system of interwoven communities that supercharge our global family.

Women Connect Network

The Women Connect Network is committed to elevating the voices of women at HCLTech, empowering them and further recognizing, valuing and celebrating their distinct identities and achievements. By providing an extra layer of support, this network enables women to take advantage of opportunities and helps supercharge progress for everyone. It provides a forum for women to advance their careers, manage professional development and have productive conversations about the challenges and prejudices that exist in the workplace.

Pride@HCLTech

Pride@HCLTech embodies the profound significance of LGBTQ+ pride, affirming the empowerment that comes from being embraced and celebrated by one's community. This Employee Resource Group (ERG) is dedicated to promoting diversity and fostering an inclusive, safe and supportive work environment for all lesbian, gay, bisexual, transgender and queer employees and their allies at HCLTech.

Ability Connect Network

This community is for individuals with disabilities, those who support colleagues with disabilities and any employee interested in advocating for accessibility. Through education, advocacy and networking, the ERG strives to guarantee that all employees affected by a disability, either directly or indirectly, have the resources, opportunities and support necessary to thrive in their careers. In doing so, it contributes to HCLTech's mission of creating a safer world for all.

Black Employee Resource Group

The Black Employees Resource Group (BERG) and their allies are integral to HCLTech's success. They provide invaluable support, promote the development of black employees and honor important cultural milestones like Black History Month and Juneteenth. Through their efforts, they help strengthen an inclusive workplace where African American employees can thrive, fostering strong relationships, expanding knowledge and advancing careers.

Latino Employees and Allies Resources Network

As a beacon of support and advocacy for Latino employees and their allies, the Latino Employees and Allies Resources Network (LEARN) believes in the enduring pursuit of knowledge and growth. LEARN hosts events throughout the year to foster a sense of 'familia' by educating HCLTechies about Latino culture and empowering growth and volunteer opportunities in the Latino community. The group is committed to the representation, advancement and inclusion of Latino employees and their allies worldwide.

Asian Network

Embracing diversity within our ranks, the Asian Network champions the vibrant tapestry of Asian culture at HCLTech. The Asian Network and its allies spearhead initiatives for professional growth and community engagement among Asian employees at HCLTech. From commemorating Lunar New Year to honoring Asian American and Pacific Islander Heritage Month and the Autumn Moon Festival, the group hosts a plethora of events throughout the year, fostering cultural appreciation and connection.

24%
Increase in leadership gender diversity in the last five years

24%
Increase in team members with disabilities

98.7%
New moms returning after maternity leave

Featured Programs

Inclusion Lab: The focus is to enable our leaders with resources that can help to incorporate Inclusion into an organization's values to guide behaviors and invite senior leaders to embody inclusive leadership that further cascades into managers and their teams. It establishes accountability framework for non-inclusive behaviors and integrate inclusive leadership capabilities.

Inclusion @ Scale: It highlights the essence of micro-learning nuggets that are short video modules to ensure continuous education, increased awareness and sustained application of inclusive practices on the go.

Inclusion in Action: Allyship is a virtual instructor-led (VILT) learning program to further the DEI agenda by creating DEI Champions who, as Allies, will help address the specific inclusion practice internally and call out non-inclusive behaviors.



Supercharging Progress for our Communities

Corporate Social Responsibility

Our corporate social responsibility (CSR) agenda is aligned to the UN Sustainable Development Goals (SDGs). We harness our collective power to build a better world to create lasting positive impact through long-term, sustainable programs.

From addressing economic and social disparities, to bringing quality healthcare and education to all, to greening the planet and helping all species thrive, we are committed to building an equitable and sustainable future for all.

Transforming Communities in India

Empowerment has a face, and HCLFoundation's cumulative investment of ₹1,400 crores ($170 million) translates into 6.5 million+ of the country's most vulnerable citizens leading happy, healthy and dignified lives.

We are proud to have empowered more girls to attend school, more women to earn a livelihood and more para-athletes to overcome their disabilities and become champions. 35,000+ students reached (49% girls) and 48 para-athletes have been supported through Sports for Change initiative since inception.

Our efforts translated into flourishing biodiversity — more trees planted, more water bodies rejuvenated and more animals treated and saved.

Flagship Programs in India

Samuday
by HCLFoundation

Transforming rural communities

Samuday, HCLFoundation's biggest rural development program, reflects its commitment to crafting replicable and scalable models of transformation.

The program has benefitted more than 2.4 million people across 619 gram panchayats in Hardoi, Uttar Pradesh and in Thoothukudi, Tamil Nadu.

Key Achievements*

72,000+
Acres of land greened and brought under community management

2M+
Saplings planted

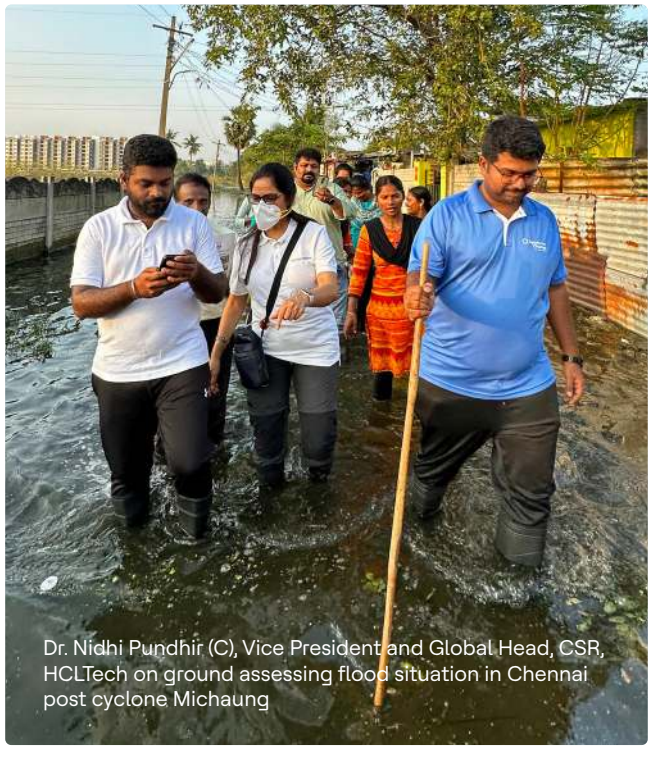
81B+
Liters water harvested

500K+
Tons waste managed

13,500+
PwDs reached since FY19-20 (35% female)

420K+
People reached during disasters (supported basic needs — food, relief material, dignity kits etc.)

*All figures cumulative



Dr. Nidhi Pundhir (C), Vice President and Global Head, CSR, HCLTech on ground assessing flood situation in Chennai post cyclone Michaung



Children participating in a school infrastructure handover ceremony at a government school at Iteda, Uttar Pradesh

HCLTech Grant
by HCL**Foundation**

Empowering NGOs that transform rural India

HCLTech Grant is transforming rural India through grants of ₹5 crores each to three winning NGOs in the environment, health and education categories. The Corbett Foundation (environment), Sangath (health) and Makkala Jagriti (education) were the winners for FY24. A cumulative ₹146.95 crores ($18 million) has been committed to 49 NGOs so far, positively impacting lives of 2 million+ individuals. A total of 20 projects are active across 16 states and 2 Union Territories.

Environment | Health | Education

Uday
by HCL**Foundation**

Breaking the cycle of urban poverty

A comprehensive urban CSR program, Uday focuses on increasing access to quality services, entitlements and economic assets for the urban ultra-poor in 11 cities.

It aims to improve the educational needs of young children, provide better access to latest technology, strengthen health care system, enable young people acquire skills needed for today's job market, improve water, sanitation and hygiene facilities and explore young children's hidden talent through sports.

Since inception, Uday has cumulatively reached through NGO partners over 1 million participants, of which 57% are female, ~2,200 persons with disability, across 92 slums.


A community health worker offering guidance to a new mother on child healthcare


Two biogas plants set up at Noida, Uttar Pradesh, under My Clean City by HCLFoundation

My Clean City
by HCL**Foundation**

Fostering cleanliness, seeding sustainability

HCLFoundation launched its ambitious municipal waste management flagship program My Clean City in 2018. It is committed to improving solid and liquid waste management system and processes, promoting environmentally-conscious behavior, beautification, sanitation and sustainable waste management practices in urban spaces.

With five years of impactful implementation in Noida, the program has transformed Noida into the cleanest city in Uttar Pradesh and 14th overall in India, according to Swachh Surveksan 2023. Noida also received Water+ certification and 5-star rating in Garbage Free City category under the survey.

My Clean City has now expanded to Greater Noida city with the objective of replicating its best practices to a larger population.

Harit
by HCLFoundation

Supporting environmental action

Harit aims to conserve, restore and enhance indigenous environmental systems.



A plantation drive involving school children in Chennai on the occasion of 47th HCL Day

Key Achievements*

Saplings planted:
822,574

Water body rejuvenated (acres):
3,027

Mangrove and shelterbelt saplings planted:
828,100

Ghost net retrieved (kg):
120,352

Animal lives impacted:
88,816

Human lives impacted (Environmental awareness):
17,973

*All figures cumulative

Special Initiatives

Sports for Change
by HCLFoundation

SFC — Transforming outcomes through sport

Harnessing the power of sports, SFC builds life skills to create transformative change in underserved youth and children. 35,000+ sportspersons reached so far, 49% were girls and 48 para-athletes.



HCLTech Chairperson Roshni Nadar Malhotra felicitating Sports for Change scholars

My E-Haat
by HCLFoundation

Crafting quality, providing livelihoods

Dedicated to the upliftment of India's artisans, My E-Haat is enriching the value chain of the handicrafts sector.



Artisans supported under the My E-Haat initiative by HCLFoundation are being trained in making utility products out of wheatgrass as a means to generate employment and fight stubble burning

Power of One
by HCLFoundation

Enabling our people give back to society

The Power of One volunteering program enabled 4,316 HCLTechies to contribute 13,800+ hours, impacting 26,329 lives in FY24, and allowed 83,876 HCLTechies to clock 692,660 volunteering hours cumulatively so far.

Academy
by HCLFoundation

A global digital learning platform, Academy by HCLFoundation provides quality training and enhanced learning experience for development sector professionals. It empowers them with accessible, high-quality learning material explaining field challenges and possible solutions in the area of CSR in India. In FY24, it organised six courses, training 681 professionals.

Disaster Risk Reduction and Management

This initiative extends beyond immediate response. With a strong focus on long-term interventions, the focus is on building disaster-resilient communities.

- In the aftermath of cyclone Michaung, HCLFoundation supported over 8,500 families with dry ration kits in flood-affected areas.
- During the extreme cold wave in North India, HCLFoundation, along with its NGO partners and in association with the Police Commissionerate, Gautam Buddha Nagar, provided over 2,000 blankets and 1,000 tarpaulin sets to the needy.

Scaling Community Initiatives Beyond India

We are focused on taking our India CSR source code to transform communities across our global footprint. We do this through partnerships with development agencies and charitable organizations as well as employee volunteering programs. HCLTechies have stepped up to join hands as CSR Council members across 25 locations to ensure employee volunteering is prioritised and opportunities made available to all.

CSR Initiatives in Americas

HCLTech Grant
Americas | by HCLFoundation

Launched in September 2023, the HCLTech Grant Americas program has committed $5 million in grants over five years to support not-for-profit organizations (NPOs) combating climate change across Americas. Every year, three NPOs will be selected to receive grants totaling $1 million. Within 19 weeks of its launch, the program received 238 registrations and 91 eligible applications from all 10 target countries: Argentina, Brazil, Canada, Colombia, Costa Rica, Guatemala, Mexico, Panama, Peru and the US.



Non-profit Argilando ignites youth-led environmental activism across Brazil's diverse biomes



HCLTechies volunteered at the Community Food Bank of New Jersey

HCLTechies from 14 cities in the Americas region (Brazil, Canada, Guatemala, Mexico and the US) collaborated for hunger relief by providing 32,000 meals and nutritious food items to 5,000+ individuals. Further, food and essential packages were distributed to 700+ families.

HCLTechies from Sacramento, Bay Area, Seattle, Cary, among others, took part in various volunteering activities throughout the year.

CSR Initiatives in Europe and APAC



UK

UK

HCLTech UK volunteers came together for the London Bridges Walk, raising funds for the charity of their choice.

HCLTech UK celebrated a decade of partnership with the Prince's Trust. We work for a better future for the disadvantaged young adults in the UK through sponsoring the Get Started with Technology Programs for 200+ young adults. Senior HCLTech executives joined for a walk from Hampton Court Palace to Buckingham Palace raising over £2.7K for the Trust.

Sweden

HCLTech was a proud partner of the Göta Traneberg Club Day for the third consecutive year, celebrating our enduring commitment to Stockholm's youth ice hockey club, Göta Traneberg IK Hockey to empower girls and young women in sports.

Poland

HCLTech employees in Krakow, Poland participated in the Poland Business Run (PBR), the largest charity run in Poland, organized for people with physical disabilities. The income from the run is allocated to the purchase of prostheses or other orthopaedic supplies, rehabilitation and psychological consultations for the beneficiaries of the run and the charges of the Poland Business Run Foundation. HCLTech employees in Poland also came together for a blood donation drive.



France

France

HCLTech's CSR team in France visited the iHOPE Institut d'Hématologie et d'Oncologie Pédiatrique, in Lyon to make the children smile. The team distributed gifts among the little ones, bringing them cheer. The gifts were arranged by the generous donation provided by HCLTech CSR France team.

Romania

Key partnerships with Salvati Copii Iasi, Little People, FEBA (European food Bank) in Romania.

HCLTech contributes and supports children's educational journey from kindergarten to high school as well as volunteering with our own employees' knowledge in the educational Caravan program and Semimarathon events that Salvati Copiii Iasi is organizing.

HCLTech collaborates with Little People to create a positive impact in the little patients' life at the Oncology Hospitals in Iasi and Bucharest and support through creating rooms for treatment as well as give the necessary supplies for treatments.

HCLTech supports FEBA through donations as well as volunteering at food collection events.



Australia

Australia

HCLTech was sponsor of the Jane McGrath High Tea for the third consecutive year to raise funds to support breast cancer victims.

HCLTech Australia formalized the endorsement of Innovate Reconciliation Action Plan. This will now serve to ensure that HCLTech's future efforts deliver positive and lasting impacts with and for Aboriginal and Torres Strait Islander people and communities.


Singapore

APAC

HCLTech sponsored student groups from Singapore University of Technology and Design to develop innovations and then travel to an ASEAN destination to implement these innovations.

HCLTech supported local artistes in Singapore for an exhibition at the National Gallery Singapore.



Supercharging Progress for our Planet

Sustainability

At HCLTech, we are deeply committed to doing business in a purposeful and transformative manner while ensuring sustainability and social responsibility.

Our approach involves driving rapid and meaningful long-term sustainable growth, prioritizing the well-being of our employees and fostering innovation and collaboration both internally and externally.

Our sustainability strategy is defined by three guiding principles: Act. Pact. Impact.

Act

We understand that impact starts with us. We act in the most responsible and sustainable manner.
We ensure we use every resource efficiently to maximize value.

Pact

Our relationships go beyond a formal contract with our stakeholders. We are working for a sustainable future, in collaboration with our clients, partners, employees, communities and all other stakeholders.

Impact

We focus on creating sustainable, long-lasting impact through all our initiatives and activities.

We have prioritized specific environmental, social and governance (ESG) areas of our business and operations to maximize our contribution to the UN Sustainable Development Goals (SDGs). We support and help activate the communities and societies we operate in. And we focus on creating sustainable, long-lasting impact through all our activities and initiatives.

Our Sustainability Themes

Unlocking our People Potential: We recognize our people as our most valuable asset and are dedicated to creating a positive impact on the world through their talent and dedication. Our people are the driving force behind our success and the delivery of cutting-edge solutions to our customers.

Integrating Digital Technology and Sustainability: By combining technology and human ingenuity, we aim to accelerate progress for our clients, communities and the planet. Our focus is on developing sustainable digital solutions that empower our clients to operate in an eco-friendly manner and advance their sustainability goals.

Progress for a Better Planet: Addressing climate change is a top priority for us, and we are committed to minimizing our ecological footprint through proactive environmental initiatives. Our go green efforts focus on energy and water conservation, reflecting our dedication to making a positive impact on the planet.

Sustainable Supply Chain: We understand the importance of sustainability across our entire value chain and prioritize responsible sourcing practices. Our commitment to sustainable procurement extends beyond materials and services to driving positive impact throughout our supply chain.

Data with Purpose: We uphold rigorous data privacy and cybersecurity standards to protect the information of our clients and stakeholders. Our comprehensive data management program adheres to global cybersecurity frameworks and privacy principles, ensuring the security and integrity of data.

Empowering Communities: Our corporate social responsibility (CSR) initiatives aim to empower and uplift the communities where we operate. Guided by global CSR policies, we engage in activities that promote socio-economic development and environmental advancement, aligning with our commitment to responsible progress.

Global Compliance Frameworks: In addition to our commitment to sustainability, we uphold stringent global compliance measures to ensure that our operations adhere to all relevant laws, regulations and industry standards. Our compliance framework encompasses legal, regulatory and ethical considerations, safeguarding the integrity and reputation of our organization while promoting transparency and accountability in all our endeavors.

Key Achievements

32x
Water replenished compared to water consumed in India operations

19%
Renewable energy in overall energy consumption

98%
Of our owned office buildings are rated Platinum by the Green Buildings Council

25%
Reduction in scope 1 and 2 emissions compared to base year 2020

6.5M+
Lives impacted through HCLFoundation, of which 54% were female

15,700+
Hours of employee training through Sustainability School*

*between November 2022 and January 2024

Sustainability Goals

- **Net zero** by 2040
- **50% reduction** in absolute scope 1 and scope 2 emissions by 2030, compared to 2020 baseline
- **80% electricity usage** from renewable energy by 2030
- **Zero discharge** from all owned facilities and achieve **zero waste** to landfill at all owned facilities by 2025

Governance Goals

- Strengthen the **sustainable supply chain process**
- **Integrate ESG** into risk management and internal audit processes
- Be **recognized among industry leaders** for information security practices and data privacy standards

Social Goals

- Improve the **ESG knowledge** and skills of employees
- Improve gender diversity in workforce, with **40% women employees** by 2030
- Increase **gender representation** in senior leadership roles to 30% by 2030



Davos Dialogues



HCLTech Chairperson Roshni Nadar Malhotra joined the discussion with Tharman Shanmugaratnam, President of Singapore, and other thought leaders at WEF 2024

Out of Balance with Water

Climate changes have played havoc with the global water cycle, resulting in floods and intense droughts. Through its sustainability-focused policies and practices, HCLTech has been playing an active role in the global effort to prevent and mitigate such climate-related disasters. At the World Economic Forum's Annual Summit in Davos in 2024, our Chairperson Roshni Nadar Malhotra took part in a panel discussion, titled Out of Balance with Water, along with Tharman Shanmugaratnam, President of Singapore, and other thought leaders from the Global Commission on the Economics of Water. The HCLTech chairperson emphasized that innovation is key to the future of water management and that supporting freshwater conservation holds economic value.


HCLTech leaders with Heroes of Progress awardees



Santhosh Jayaram (first from right) during the panel

Heroes of Progress

At WEF, HCLTech had the opportunity to honor young, purpose-driven leaders who are making significant contributions to the fields of environment, women's empowerment, art and sustainability. Our Chairperson Roshni Nadar Malhotra and CEO & Managing Director C Vijayakumar participated in celebrating these "Heroes of Progress" in an exclusive reception.

Purpose-led Sustainability Agenda

A distinguished panel came together at WEF, Davos to discuss the urgency and benefits of embedding ESG into their purpose-driven strategies. Santhosh Jayaram, our Global Head of Sustainability, pointed out that the progress around sustainability is losing momentum because many organizations fail to integrate sustainability into their goals and targets — a challenge that can be overcome by building a sustainability-focused skillset to create economic value and impact.

Management Discussion and Analysis (MDA)

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FY24 Business Highlights

A Year of Robust Business Performance

HCLTech delivered a robust performance amidst macroeconomic headwinds, achieving growth across all key metrics during the last fiscal year. We recorded a consolidated revenue of ₹109,913 crores, marking an 8.3% increase over FY23. We delivered this industry-leading growth with EBIT at ₹20,027 crores, up 8.4% and Net Income (NI) at ₹15,702 crores, up 5.7%. This growth was driven by both our Services and Software businesses. Our Services revenue grew by 5.4% YoY in constant currency in FY24. HCLSoftware has made significant strategic progress as seen in a substantial increase in subscription and support revenue and consistently growing Annual Recurring Revenue (ARR). Total new bookings for the year were at an all-time high, enabled by a mega deal of $2.1 billion. Our four-year revenue compound annual growth rate (CAGR) of 11.7% reflects our sustained success.

Unlocking Potential, Supercharging Progress

It has been more than a year since we launched the refreshed HCLTech brand to capture the company's ambition, energy and acceleration. Central to this brand transformation was our statement of purpose:

To bring together the best of technology and our people to supercharge progress. Our purpose lies at the heart of everything we do and we are proud of what we have achieved since the brand transformation. HCLTech emerged as the fastest-growing brand among the global Top 10 IT services companies, according to the 2024 Brand Finance Report. We are confident that we will continue to **supercharge progress for our clients, people, communities and the planet.**

Translating Purpose into Action – Our Strategic Objectives

HCLTech pursues the following medium-term strategic objectives:

- Leadership through **differentiated services and products**
- **Employer of choice** in professional services across all our key geographies
- Preferred **Digital partner for Global 2000** enterprises in chosen markets
- Weave **ESG (Environmental, Social and Governance) goals** into business strategy
- Deliver **top quartile TSR** (Total Shareholder Return) over the medium term



The HCLTech pavilion at the Mobile World Congress 2024 in Barcelona

Growing Our Services and Product Leadership

We continue to innovate and create sustainable differentiators, by focusing on our key thematic areas of Digital, Engineering, Cloud and AI as well as our industry-leading technology services and software portfolio. ISG has conferred on HCLTech the prestigious 2023 Star of Excellence Award™ for customer service excellence based on the direct feedback from over 2,250 unique customer evaluations. HCLTech achieved an impressive CX score of 82.3 compared to the industry average of 68.9. As the only service provider to win six 2023 ISG Star of Excellence Awards, HCLTech has clearly established itself as a leader in the industry, differentiating and creating a unique advantage for itself in the market. The ever-changing technology landscape continues to provide exciting opportunities for growth.

Powering Business Growth with People

Our global footprint spans 60 countries, with a vibrant community of more than 227,000 employees representing 159 nationalities, providing a strong foundation for our continued growth. With a significant nearshore presence in 20 countries where more than 90% of employees are locally hired, we are poised for further expansion in these regions in the coming years.

We are committed to excellence in employee engagement and workplace culture. For the second consecutive year, HCLTech has been recognized as a Global Top Employer by The Top Employers Institute, receiving top honors in the three key geographies in which it operates. Our standing as a premier employer is also highlighted by our inclusion in prestigious rankings, analyst recognitions and awards.

Our dedication to fostering an inclusive work environment has garnered multiple awards for our diversity, equity and inclusion initiatives. A testament to our commitment to diversity and excellence is our gender diversity, which has reached 29.1% this fiscal year. These accolades and metrics reflect our growth as a global technology leader and our resolve to create a more diverse, skilled and inclusive workforce ready to meet the challenges of tomorrow.

Fueling Transformational Gains for Clients

HCLTech seeks to be the preferred digital partner for Global 2000 and equivalent enterprises. Our top quartile overall customer satisfaction (CSAT) rating reflects this dedication, showcasing our unwavering commitment to outstanding client engagement and ability to exceed expectations consistently. In one of the most significant cloud migrations in the consumer goods industry, HCLTech helped a client transform into a cloud-only enterprise within 18 months. This pivotal cloud migration empowered the client to harness next-generation technologies and unlock unprecedented opportunities for innovation and growth across their organization. In another instance, we developed an AI-assisted remote proctoring system for a US-based publishing house, addressing the surging



HCLTech COO – Corporate Functions Rahul Singh with Governor of Texas Greg Abbott (right) at our Noida campus

demand for online examinations while upholding the utmost integrity. Similarly, our engagement with a major healthcare provider leveraged our generative AI (GenAI) solution to revolutionize patient intake processes, capturing symptoms and health conditions with unparalleled accuracy. These successful collaborations are typical of the sort of relationships we forge with our clients.

We continue to see significant growth in our client base. In FY24, we added 3 clients in the $100 million+ category, 6 in the $20 million+ category, 25 in the $10 million+ category, 20 in the $5 million+ category, and 12 in the $1 million+ category. FY24 ended with 22 clients in the $100 million+ category, with the top 20 clients contributing 29% to the company's revenue.

Promoting Sustainability and Supporting Communities Globally

Sustainability is woven into everything we do, guided by our three simple yet powerful principles: Act, Pact and Impact. Our commitment to these principles is evident in achievements like replenishing 32 times more water than

we use and reducing per capita Scope 1 and 2 greenhouse gas emissions by 70%. Our efforts have garnered multiple recognitions from international bodies and platforms. Notably, Ethisphere named HCLTech among the 2024 World's Most Ethical Companies® and EcoVadis awarded us a 'Gold' rating for our sustainability performance. Additionally, the MSCI ESG assessment kept us at an 'AA' rating for a second consecutive year. CDP has us listed as an A- category company for our actions toward climate mitigation. For the second year in a row, we are included in the S&P Global Sustainability Yearbook 2024.

HCLTech is committed to supporting communities globally and has developed a proactive and impactful corporate social responsibility (CSR) strategy. In India, we invest strategically to significantly tackle poverty across rural and urban geographies in all its forms: social, economic and environmental. Our initiatives have helped 6.5 million people, 54% of whom are women, overcome challenging circumstances. We also support various social initiatives worldwide through our global CSR councils. Some key highlights include our partnerships with Salvati Copii Iasi, Little People and FEBA (European Food Bank) in Romania, and the inauguration of the 'Innovate Reconciliation Action Pact' to deliver a positive and lasting impact for Aboriginal and Torres Strait Islander people and communities in Australia. Additionally, we launched the HCLTech Grant for Climate Action in the Americas, committing $5 million over five years to climate action initiatives.

Enhancing Shareholder Value through Growth, Profitability and Efficiency

HCLTech is committed to delivering top-quartile total shareholder return (TSR) by focusing on sustained organic growth, improved profitability, higher return ratios and efficient capital utilization. Our commitment includes enhancing our overall return on invested capital (ROIC) and executing a well-defined capital allocation strategy, ensuring a minimum payout of 75% of net income cumulatively from from FY22 to FY26 (the average TSR payout for the period FY22-24 has been 89%). With our decade-long, consistent track record of delivering top-quartile TSR among our peer group, we are confident in our ability to continue generating value for our shareholders in the years to come.

We have expanded further on each of these objectives in Section 5, Medium-term Strategic Objectives.



The HCLTech pavilion in Davos during the World Economic Forum 2024

State of the Market

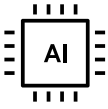
Technology advancements and digital innovation continue redefining our daily lives. The convergence of artificial intelligence (AI), cloud computing and digital innovation is revolutionizing how we think, interact and work. Technology advancements continue to influence how businesses operate, respond to environmental challenges, tailor experiences for individuals and manage talent in the workplace. They also unveil novel avenues for investors to capitalize on the tech industry's dynamism and capacity to meet evolving demands.

Client Imperatives

As global enterprises adapt to the evolving technology landscape and seek strategic partners to help them achieve their digital transformation goals, we spot six key themes:



Optimizing Spend



Incorporating GenAI



Driving Innovation



Reimagining Experience



Building Resilience



Advancing Sustainability

Optimizing Spend

Optimizing spend is a continuous journey toward creating value for all stakeholders. Clients are focusing on innovative business models, such as shifting to asset-light models, leveraging AI as well as exploring cost optimization tools for hyper automation. They are looking for technology partners that offer business model flexibility, possess technical expertise in cost optimization and provide end-to-end offerings.

Incorporating GenAI

GenAI is driving business benefits by recalibrating business models, reinventing customer experience and driving productivity gains. As enterprises shift from proof-of-concept experiments to more widespread deployments of GenAI, this transition is expected to drive tangible and realistic benefits. To leverage the transformative power of GenAI, clients are seeking partners with an engineering pedigree, a pragmatic mindset and focus on building realistic solutions leveraging digital engineering capabilities.

Driving Innovation

Enterprises are driving innovation by adopting and scaling new technologies. These technologies include AI (particularly GenAI), machine learning, automation, edge computing, cloud, low code/no code platforms and more. Enterprises are actively exploring new markets and business models to maintain a competitive edge. To achieve their goals, clients need partners with technical expertise and domain-centric solutions that are scalable and flexible.

Reimagining Experience

Businesses are increasingly focusing on total experience (TX), which encompasses customer experience (CX), employee experience (EX) and operational experience (OX). Technologies such as GenAI, IoT, 5G, XR (extended reality), IT-OT convergence and digital age elements like ecosystem and gamification drive efficiency and help create seamless experiences. Clients look for partners with engineering capabilities who can unlock value at scale across various delivery forms and channels to redefine the total experience.

Building Resilience

Building business resilience has emerged as a top priority for clients amid constant threats and uncertainty in business environment. To achieve this, clients are adopting agile methodologies, embracing modernization, investing in innovation labs, focusing on advanced analytics and prioritizing technological resilience in areas such as cybersecurity and IT systems. Clients seek partners who can help them build business resilience through technology adaptation.

Advancing Sustainability

Technology is a key enabler of sustainability agendas, from value-chain transformation to reducing carbon footprints. The combination of sustainability and digital transformation agendas is changing how organizations create value, grow and innovate today.

Cloud Transformation is a Multi-Year Journey

Embracing cloud as a part of continuous modernization is essential in the digital era to increase business agility and improve operational efficiency. At the same time, enterprises are challenged to balance the benefits of cloud computing with the need to maintain data sovereignty, security, agility and resilience. Cloud optimization continues to be a focus area for enterprises with hybrid and multicloud strategies gaining popularity. With the emergence of new trends such as cloud-at-the-edge, AI in cloud, FinOps, confidential computing and sovereign cloud, the adoption rate of public cloud services is expected to grow, presenting more opportunities for innovation.

Combining IT and ER&D Services to Unlock New Value

Engineering, research and development (ER&D) spending and outsourcing continue to grow globally. Companies increasingly recognize the value of combining IT and ER&D services, more importantly leveraging an engineering mindset across the value chain. Enterprises prefer a combined approach, as it offers multiple advantages — end-to-end offerings, accelerated time-to-market, increased returns on investment (RoI) on R&D spend, streamlined vendor management, improved data security and most importantly an engineering mindset permeating every aspect of products and services that deliver added value. As IT companies navigate a slowdown in their revenue streams, the ER&D services segment emerges as a critical area for investment. IT companies are strengthening their ER&D capabilities to expand their offerings portfolio to serve clients better and to ward off competition from pure-play ER&D service providers.

Talent Market Trends

Today, most companies are aggressively innovating their global people practices, candidate-centric branding and hiring models to attract and retain quality talent.

Demand for consulting and niche technical skills, such as cybersecurity, AI and digital engineering, continue to remain strong. The global demand for quality talent has further fueled the growth of Global Capability Centers (GCCs). GCCs, coexisting with outsourced service delivery model will continue to play an increasingly pivotal role to leverage the expertise of professionals globally, driving competitiveness and innovation.

Employee expectations are also evolving. They now seek career opportunities that offer personal and professional development, including gig and hybrid work for better flexibility and work-life balance. Consequently, skill development strategies are increasingly focusing on employee-led growth, holistic career paths, co-created learning opportunities and fostering rich learning ecosystems. The trend toward personalizing the employee development journey has become a norm.

Market Opportunities

The current economic landscape indicates favorable market opportunities for technology across industries. Amidst cautious optimism, enterprises are focusing on strategic priorities such as modernization, cloud, engineering, FinOps, AI, GenAI, digital and sustainability. While discretionary spending is yet to rebound, overall enterprise IT spending is expected to remain healthy. Large and mega deals are gaining traction as enterprises focus on cost optimization and vendor consolidation. IT services market is projected at 6.1% globally over the next one year by industry analysts. Despite the potential impact of macro events on certain sectors and near-term uncertainties, the technology industry is poised for long-term growth.

The definition of technology is expanding and is increasing client expectations on technology. It requires an integrated approach to software, services and engineering. With our diverse portfolio, engineering prowess and scale, we are well positioned to capitalize on these trends and uniquely equipped to leverage technology and meet the dynamic needs of our clients.



An ovation Lab in Noida, India

Our Business

At HCLTech, we are dedicated to delivering innovative services and products that make a meaningful difference to our clients, employees, communities and the planet. We are a full-stack global technology company underpinned by a strong engineering DNA. We are grounded in the "art of possible" to enable clients to deploy technology solutions that are pragmatic and scalable. Our goal to become the digital partner of choice for Global 2000 and equivalent enterprises is anchored in our ability to retain and attract top talent and deliver exceptional value while fostering inclusive growth and promoting sustainability. This section offers an overview of HCLTech's core areas of expertise, business segments and strategic approach to ecosystems and partnerships. Together, these elements enable us to provide end-to-end solutions tailored to meet the evolving needs of our clients.



The HCLTech CloudSMART team at AWS re:Invent 2023

Our Areas of Expertise

HCLTech leverages its expertise to provide solutions that address its clients' traditional, transformational, modernization and future needs. Our **Digital** offerings spans from consulting to implementation, we foster synergies across three core offerings (Digital Business, Digital Foundation, Digital Process Operations) to help clients realize the potential of digital technology and AI to uncover value at every step of their journey. With our **Engineering** offerings, clients can speed up product development, improve time-to-profit and maximize return on innovation. Our **Cloud** services and offerings optimize cloud utilization, accelerating innovation and agility at scale. HCLTech's **AI** expertise covers everything from chip design to AI applications and business operations, ensuring our clients capture the best value. Our **HCLSoftware** division offers software products across areas like Total Experience, Business Apps and Industry Software, Data and Analytics, Intelligent Operations, Security and Compliance along with a bucket of specialized products.

Ecosystem, Alliances and Partnerships

Today's business world is ecosystem-driven. Our ecosystem orchestrator approach, developed ahead of its time, has enabled us to be ahead of the curve and help our clients accelerate time-to-market, innovate, address complex operational and business challenges, reduce total cost of ownership (TCO), minimize risk and propel growth. We provide our clients curated, best-in-class components from a network of technology partners and innovators, including platform, product, cloud and SaaS leaders.

Central to our strategy is the cultivation of our **Strategic Alliance Ecosystem,** where we partner with leading technology firms to create differentiated intellectual properties and solutions. These collaborations are crucial in accelerating our clients' digital transformation, engineering, AI and cloud computing endeavors. Our **Industry Ecosystem** gives us access to industry forums and foundations to stay updated on the latest trends and challenges and share our thought leadership. Our **Startup Ecosystem** leverages creativity and innovation of startups

to generate products and offerings that benefit our clients. We utilize eSTiP™, our flagship startup accelerator and innovation platform, to enable co-creation.

We collaborate with leading technology providers, including Microsoft, Google, AWS, SAP, IBM, Red Hat, Cisco, Intel, Verizon Business, Salesforce, Dell, Pega and others. These collaborations have led to multiple deal wins, new client offerings and leadership recognitions from industry analysts. One of the key partnerships forged this financial year has been with Verizon Business. The partnership combines Verizon's networking power, solutioning and scale with HCLTech's market-leading Managed Service capabilities to usher in a new era of large-scale wireline service delivery for enterprise customers.

HCLTech has forged sports alliances with Cricket Australia, Scuderia Ferrari, the New York Giants, the New York Jets and MetLife Stadium as this sector becomes technology intensive than ever before. As Cricket Australia's official digital partner and team sponsor, HCLTech is helping to redefine the game for the modern era, leveraging technology to enhance fairness, entertainment value and the overall experience for players and fans. We are proud to be associated with winning teams like Cricket Australia, which was crowned champions of the ICC Men's ODI World Cup 2023. In our collaboration with Scuderia Ferrari, our passion for innovation, precision and the pursuit of excellence meet the fast-paced, tech-driven world of Formula 1 racing. As we speed into our second year together, this partnership continues to set new benchmarks for success, showcasing what happens when industry pioneers unite to redefine success on and off the racetrack.

CloudSMART: Supercharging Cloud Transformation

HCLTech's unique CloudSMART strategy offers enterprises a complete, high-value cloud consulting and solutioning platform. By leveraging our ecosystem partnerships and the latest technology solutions, CloudSMART provides comprehensive consulting services that empower businesses to develop and implement long-term transformation strategies at speed and scale. With its adaptive suite of offerings and services, CloudSMART makes it easy for clients to pivot to the cloud, leveraging the latest validated architectures, standardized services and factory-based execution.

Harnessing the Power of GenAI

GenAI is poised to revolutionize businesses. HCLTech stands uniquely positioned to empower businesses with GenAI, owing to its comprehensive capabilities and deep understanding of AI. We offer a full-stack approach, covering service offerings from chip design and data engineering to large language models and AI-powered applications. This breadth, combined with over a decade of AI expertise and partnerships with top innovators in the space, allows us to unlock the disruptive potential of Gen AI across diverse domains like IT services, software development, business operations, semiconductor and medtech.

During the year, we launched HCLTech AI Force, an innovative GenAI platform that accelerates time-to-value by transforming the software development and engineering lifecycle, delivering greater productivity, improved quality and faster release timelines. The patented GenAI platform is built on Azure OpenAI and can be integrated with multiple LLMs like Microsoft GitHub Copilot, Google Gemini, Meta Llama2 and AWS. It offers a highly customizable suite of GenAI-based solutions that inject intelligence into every aspect of software development and engineering workflows to improve efficiency and developer experience ensuring faster time to value. Prioritizing responsible AI adoption, HCLTech AI Force integrates robust security and governance measures, fostering secure innovation and growth at scale.

We have also established a HCLTech Enterprise AI Foundry to simplify and scale enterprise AI journeys. The integrated suite of assets combines data engineering and AI with cognitive infrastructure to accelerate GenAI-led transformation across business value chains. HCLTech Enterprise AI Foundry is tuned for Amazon Web Services (AWS), Microsoft Azure and Google Cloud Platform (GCP), and is designed to scale for on-prem infrastructure. It removes the complexity of industrial-scale AI foundation models, data silos and overload of tools and frameworks, empowering IT leaders to establish seamless integration across IT and data assets. It effectively enables business leaders to focus on real-world outcomes and helps development teams to build next-gen AI-powered applications with ease.

Both HCLTech AI Force and Enterprise AI Foundry aim to accelerate AI-led business processes transformation and strategies. We will continue to use our engineering depth to create new GenAI-enabled solutions that deliver superior value to our clients, deliver powerful outcomes and enable HCLTech to offer differentiated and relevant solution offerings.

We are making further investments in GenAI Labs to expand our global footprint in multiple locations, which would enable our customers to validate their ideas expeditiously to proofs of concept (POC) and bring value. Our collaborative partnerships and focused investments in labs and tools to fuel innovation while meeting the cognitive infrastructure requirements has enabled our customers to meet their business objectives faster.

Business Segments

HCLTech's business reporting is structured as three business segments — IT and Business Services (ITBS), Engineering and R&D Services (ERS) and HCLSoftware — that collectively address our clients' traditional, transformational and future needs. Overall, our services (ITBS and ERS) and HCLSoftware business grew in constant currency YoY at a rate of 5.4% and 2.3%, respectively, in FY24.

IT and Business Services (ITBS)

The ITBS segment enables global enterprises to drive agile, sustainable business transformation that enhances customer and employee experiences. It is the most significant contributor to HCLTech's overall revenue mix. In FY24, we posted a moderate revenue growth of 6.2% YoY in constant currency and an EBIT margin of 16.9%, driven by modest growth across all service lines. ITBS comprises Digital Business Services, Digital Foundation Services, Digital Process Operations and HCLTech Career Shaper™ service lines.

Digital Business Services

HCLTech's Digital Business Services offerings include Digital Consulting, Commercial Apps, Custom Apps, Data and AI, covering large Application Development, Application Management, Projects and System Integration and value realization work for our clients. HCLTech Digital Business Services help enterprises challenge the status quo by transforming their operating models, by identifying and rethinking the right experiences, enabling them with composable platforms and optimizing them with data-driven insights, all while ensuring sustainable value creation and impact.

Digital Business Services help clients transform their value chain through five focus areas:

- **Digital Consulting** helps enterprises re-imagine their value chain with experiences at the core, to deliver innovative solutions. We offer experience design, industry capability definition, agile delivery transformation and organizational agility, empowering clients to reimagine their enterprise value chain.
- **Custom Application Services** help clients redesign and modernize their applications and platforms via composable architectures, microservices and cloud-based application consumption.
- **Commercial Application Services** focus on enterprise products and platforms, software-as-a-service, customer engagement platforms and business integration services. These services generate intrinsic value for clients through significant ROI and business outcomes across the enterprise.
- **Data and AI Services** facilitate the enterprise to modernize data, simplify insights and scale AI to reduce tech debt, enhance data velocity and trust, deliver actionable insights and provide personalized experiences to transform human experiences and operations with AI.
- **Application Management Services** with our digital execution framework FENIX 2.0 and ASM 2.0 proposition focused on next-gen operating model transformation across global enterprises.

This fiscal year, we won multiple deals helping accelerate digital transformation for our clients. A large Finnish pharmaceuticals, health and well-being product distributor selected us as the lead system integrator for Greenfield SAP S/4 HANA, Enterprise Warehouse Management (EWM) and analytics transformation. In another instance, a global integrated energy company based in Europe chose HCLTech to transform their application services into a DevSecOps model by adopting a product operating model and enterprise agile, site reliability engineering and hyperautomation.

Digital Foundation Services

HCLTech's Digital Foundation Services (DFS) form the bedrock of our clients' digital transformation journeys. We offer next-gen AI- and hyperautomation-led, secure, resilient and reconfigurable solutions for IT infrastructure. We are a trusted advisor and partner for leading G2000 companies, helping them manage and transform their large and complex IT infrastructure. Clients choose our services for our proven ability to execute at scale and deliver stated business benefits on time.

The DFS offerings cover five areas:

- **Hybrid and Multicloud Services** focus on private and hybrid cloud, cloud-native, multicloud deployments, edge computing and data center solutions. We collaborate with leading hyperscalers including Microsoft, AWS and Google, for delivering next-gen solutions and offerings to our customers.
- **Digital Workplace Services** provide highly personalized, experience-led, resilient end-user services, including next-generation smart service desk.
- **NextGen Networks Services** enable large enterprises and telcos to modernize and manage their network infrastructure, including solutions like SD-WAN and Private 5G.
- **Cybersecurity and Governance, Risk & Compliance (GRC) Services** offer next-gen security solutions, including XDR/MDR (Extended/Managed Detection Response) and IAM (Identity and Access Management) and help clients meet their compliance and regulatory requirements.

- **Unified Service Management and Intelligent Operations** deliver efficiency and greater supplier management synergy, facilitating the assessment of the right service integration and management model for clients.

This financial year we signed multiple deals, including one with Verizon Business where we will help their clients navigate complex operating environments across diverse locations, geographies and devices while incorporating new technologies into their stack, including 5G, SD-WAN and Secure Access Service Edge (SASE) capabilities.

Digital Process Operations

Digital Process Operations (DPO) provides clients with next-generation operating models that sustain new levels of speed, agility, efficiency and transformation. DPO revolutionizes customer experiences, modernizes end-to-end business value chain, unlocks business capital and drives competitive advantages through its domain expertise, engineering, AI/GenAI capabilities and best-in-breed partner ecosystem. Our integrated technology-led digital operations model reimagines clients' operations across three broad digital stacks:

- **Digital Workforce:** digitalCOLLEAGUE (dC), powered by emerging transformation technologies, is a domain-intensive, role-based, single-UI platform that works in collaboration with the human workforce to create a truly Digital Workforce. This human-machine collaboration enhances business operations, improving top line growth, cost efficiency, customer satisfaction and return on asset investment.
- **Digital Process:** DPO deploys its ReOPS framework to drive transformation and re-engineering in business processes via a data-driven approach. With our proprietary three-lever BPM approach and AI-powered tools, we help organizations create digital target operating models and leverage comprehensive process blueprints for effective process discovery and orchestration.
- **Digital Technology:** DPO leverages the Enterprise Function as a Service (EFaaS) model to provide on-cloud solutions for organizations seeking cost reduction and optimized business processes leveraging technology rationalization and utility-based models.

With state-of-the-art delivery centers across the globe, DPO leverages its Integrated Global Delivery Model (IGDM) to provide clients with a right-shoring advantage and deliver best-in-class services. Our dedicated team of hyperautomation experts leverage RPA, AI/GenAI, ML, design principles and intelligent analytics to solve industry-defining challenges for our clients.

DPO's focus on transformational deals allowed us to emerge as a strategic partner of choice enabled us to serve multiple clients across industries and geographies, including many Fortune 500 and Global 2000 (G2000) and equivalent organizations. In one such engagement for an American telecom major, we set up a global-managed services hub to provide end-to-end support across service design and transition, service delivery, service assurance and customer service management. In another significant engagement, we expanded our relationship with a leading independent software vendor, setting up a digital shared services hub for its global cloud sales and services program and transforming customer experiences.

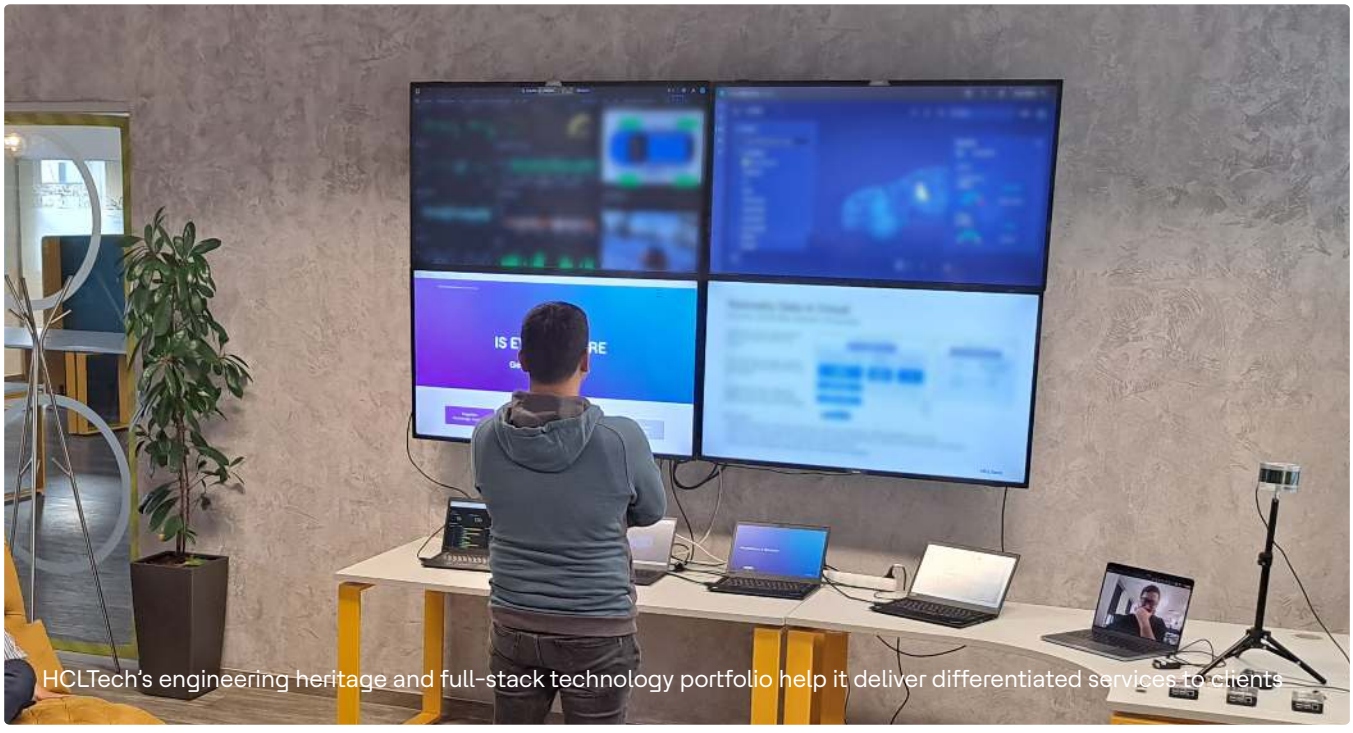
HCLTech Career Shaper™

HCLTech's EdTech Business Services, now called the HCLTech Career Shaper™, focuses on providing tech platforms, products and solutions for talent mobility at scale with agility. The Career Shaper™ suite of products includes 150+ tech roles-based learning programs, immersive labs and assessments. For enterprises, the solutions encompass hiring tests, skills gap analytics, competency-based learning, proctored assessments and Capstones (tech projects for learners to solve real world problems by applying the knowledge and skills they have acquired), which can help talent become job-ready for new roles. Talent development institutions can readily adopt the platform and related resources to improve their business and operational efficiencies.

HCLTech Career Shaper™ continues to garner significant interest with many G2000 and equivalent companies and establishing strong partnerships with key players in diverse industries. This financial year, we added several such organizations to our client base and forged a partnership with the National Skill Development Corporation (NSDC), India's largest skilling apex body. We have also been recognized as a Dual Awarding Body by India's National Council for Vocational Education and Training (NCVET), making HCLTech eligible to assess, award and certify learners for its approved and adopted qualifications. We are the first non-government body in India to get this status.

ITBS Outlook

Overall, enterprise IT spending is expected to remain healthy, which bodes well for each segment of ITBS. As digital transformation remains paramount for enterprises, we are well positioned to capture additional market share and continue to deliver impactful transformation for our clients and stakeholders. Digital Business Services' outlook is positive as we continue to see robust growth in value chain transformation, modernization and cost efficiencies through consolidation and cloud solutions. We anticipate strong demand for Digital Foundation Services, particularly in cloud, employee experience and cybersecurity. DPO is expected to continue growing by leveraging GenAI to reimagine business processes across customer value chain and drive business outcomes.



HCLTech's engineering heritage and full-stack technology portfolio help it deliver differentiated services to clients

Engineering and R&D Services (ERS)

HCLTech's ERS business has over four decades of engineering excellence heritage across various industries like semiconductors, manufacturing, life science and healthcare, technology, telecom media and entertainment and more. HCLTech ERS is a preferred digital engineering partner for over 100 of the top 250 R&D spenders globally. As a globally recognized leader in digital engineering services, HCLTech helps enterprises accelerate digital transformation, create new revenue streams and foster cross-industry collaboration. With capabilities across the entire product value chain, including design, manufacturing, supply chain and after-market services, we help enterprises create value at each stage of their product development lifecycle.

This segment delivered a revenue growth of 1.6% YoY in constant currency and an EBIT margin of 19.3% in FY24.

HCLTech ERS portfolio encompasses the following:

- **Core Engineering** includes product design and sustenance, along with manufacturing process design and improvements. Offerings in this space cover hardware and VLSI design, PLM services, product sustenance, verification and validation and more.
- **Digital Engineering** covers creating smart, intelligent, connected products and manufacturing processes that leverage digital technologies. Some of the packaged offerings in this space include platform engineering, cloud engineering and IT-OT integration.
- **Emerging Technology-led services** provide packaged offerings, leveraging emerging technology areas such as AI and GenAI, 5G, digital twin and sustainability engineering.
- **IP-led and Solution accelerators** cover propositions bundled around HCLTech's IPs and solutions addressing specific customer pain points. Some examples include CARE (Connected Assets and Regulated Environment) and CloudBridge Suite.

HCLTech ERS secured several large contracts across products, platforms and end-to-end engineering services, reflecting the high demand for our digital engineering capabilities. Our successful client projects include the development of GenAI solutions for integrated circuits (IC) aimed at driving data center transformations for a prominent hyperscaler. These efforts have reduced their reliance on merchant silicon, enabled faster market entry and resulted in an 85% decrease in total cost of ownership (TCO). Additionally, we engineered a virtual reality device

from silicon to software for a leading technology company, significantly speeding up their shift toward the metaverse.

The demand for engineering services continues to grow, primarily driven by industry verticals like automotive, life sciences & healthcare and manufacturing. Digital engineering themes, such as platform engineering, data engineering, 5G and connectivity, Industry 4.0, sustainability, digital twins and semiconductors, are expected to continue attracting enterprise investments. To strengthen our leadership position and benefit from the market opportunities in automotive vertical, we acquired ASAP Group, an automotive engineering services provider with more than 1,600 employees focused on future-oriented automotive technologies.

Engineering services outsourcing spend continues to see an uptick driven primarily by the following factors: increasing product innovation, geopolitical tensions, countries seeking tech sovereignty and talent scarcity. HCLTech ERS is uniquely positioned to capitalize on the market opportunity and drive growth by leveraging its engineering leadership, comprehensive end-to-end digital and product engineering capabilities and extensive domain knowledge.

HCLSoftware

HCLSoftware ranks among the top global enterprise software providers and is one of the largest software companies headquartered in Asia. With more than $1 billion in annual recurring revenue, we serve over 20,000 customers across more than 130 countries. Our comprehensive range of software for Total Experience, Business Apps and Industrial Software, Data and Analytics, Intelligent Operations, Security and Compliance along with a bucket of specialized software products meets the diverse transformation needs of our clients worldwide. Through our innovative products and solutions, we are committed to building up a Digital+ economy and a sustainable business for our clients.

Our HCLSoftware cloud strategy revolves around five tailored environments: Business Cloud, Hybrid Data Cloud, Total Experience Cloud, Security & Compliance Cloud and Intelligent Operations Cloud. These environments utilize cutting-edge technologies, including AI, ML, NLP (Natural Language Processing), cognitive services and a unified infrastructure platform, to meet the distinct needs of our clients. Total Experience as a practice is fast evolving and becoming a necessity for every end-user interaction across channels like G2C (Govt to Citizen), D2C (Direct to Consumer) and others. HCLSoftware's Total Experience Platform/Cloud converges digital experience, multi-experience, No Code and customer data platform and along with a strong ISV ecosystem provides multiple deployments options for clients to choose from and accelerate their Total Experience journey.

Our software product portfolio is driving transformational gains for our clients. Here are a few examples of the impact HCLSoftware is making. Clients trust HCL Commerce globally to drive $220+ billion in gross merchandise value. HCL Unica, an enterprise marketing automation platform, provides precision marketing at scale and is executing omnichannel programs across multiple industries, helping travel and hospitality clients to generate up to 250% increase in click per day and up to three times increase in customer responses for global banks. HCLSoftware Marketing Cloud facilitates clients' continuous engagement with customers, utilizing AI/ML to hyper-personalize offerings. HCL BigFix, driven by AI, secures more than 100+ million endpoints, ensuring our clients' security and compliance. Our Intelligent Operations portfolio (earlier branded as HCL DRYiCE) allows enterprises to become leaner, faster and more cost-efficient, all while guaranteeing superior business operations and outcomes. HCLSoftware products are trusted by governments across the world to increase transparency and citizen engagement.

In FY24, HCLSoftware posted revenue growth of 2.3% in constant currency and maintained a healthy EBIT margin of 24.7%. Our net promoter score (NPS) remains among the highest in the industry.

Moving forward, we will continue to evolve our mix and offerings in each of these segments to better align with evolving spending patterns of G2000 and equivalent clients. Our commitment to innovation and excellence remains steadfast as we confidently pursue our purpose of driving positive change, creating a better future and accelerating progress.



HCLSoftware made its presence felt at the World Economic Forum 2024 in Davos

Business Strategy

Strategy, at its heart, helps an organization to make choices and, more importantly, trade-offs. An effective strategy aligns stakeholders — clients, employees, partners, society and shareholders — to win together. This shared focus creates immense leverage for innovation and growth, because a countless number of decisions that happen every day across all parts of a business — product, customers, technology capabilities and more — reinforce one another. To make the right choices, a clearly communicated strategy is critical.

HCLTech has, over four decades, built an organizational culture of empowerment and innovation. To unleash the creative potential of our people, our strategic definitions are not fancy, but rather simple and clear. We set forth a small set of priorities that are vital to our success and empower our people to use their creative spark to execute those priorities passionately. Our leaders have the responsibility to translate strategy into guidelines that are simple and flexible enough to execute. Aligned to this approach we have identified five medium-term strategic objectives, mentioned earlier in the report.

The following fundamentals help us pursue and achieve those strategic objectives:

Leverage Our Culture of Empowerment and Innovation

Our culture is both optimistic and realistic, which helps us balance between ambitious goals and impeccable execution. Our simple, clear strategy unlocks the passion and spark in each employee, promoting empowerment, entrepreneurial leadership and bold actions that lead to successful execution and strong performance. We also encourage our employees to innovate and suggest ideas to seize novel opportunities, mitigate unexpected risks, a practice that we call Ideapreneurship. In FY24, over 29,000 Ideapreneurs leveraged the Value Creation Portal, a grassroot innovation platform, generating 17,000+ ideas, of which 7,800+ ideas blossomed into initiatives, culminating in a staggering $1.4 billion in customer-acknowledged value. Our culture of execution and innovation guided by strategy is our recipe for supercharging progress.

Make Talent the Center of Every Decision

As we serve some of the world's best-known businesses, we enable our people at all levels to enhance their skills, gain a distinct advantage and amplify their potential. We know that helping our clients stay on top starts with putting our people first. Our business model, operating structures, hiring and talent strategy are aligned to the personal and professional aspirations of our people. Our employee value proposition, "Find your Spark," is built on four tenets:

- Embracing next-gen work environment and culture
- Creating job enriching experiences
- Delivering employment that fuels confidence
- Providing exciting employee experiences



Team HCLTech at the annual leadership meet in Cannes, France

Our programs like New Vistas, TalentXchange and others are all centered around our employees. For example, TalentXchange provides them with career opportunities aligned with their aspirations within HCLTech and New Vistas gives them multiple locations to choose from to work. During the year, more than 13,500 employees applied for various positions through TalentXchange.

Enable to Enhance Execution

Strategic objectives must be easy to communicate and achievable in discrete modules. In support of these goals, HCLTech breaks down strategic objectives into specific and multiple strategic initiatives that helps our people to understand and work toward it. To enable these strategic initiatives, there are a multitude of enablement frameworks in place, for knowledge management, collaboration, change management and more. Our business enablement team has a charter to ensure cross-functional collaboration and perfecting execution.

Go Beyond Benchmarking

Benchmarking is not a goal in itself, but a means to achieving a strategic objective. HCLTech respects its competitors and best-in-class companies globally. Through our systematic benchmarking approach, we seek to discover best practices and achievements that are worth adopting. We benchmark on certain business parameters like stakeholder satisfaction, analyst recognitions, ecosystem competencies, financial performance and return metrics. For example, our relentless focus on stakeholder satisfaction, helped us achieve an impressive CX score of 82.3 compared to the industry average of 68.9 in the ISG 2023 Star of Excellence Award™. We don't rely on benchmarking for competitive convergence rather to push us further to achieve our strategic objectives.

Embrace Next-Generation Opportunities While Gaining from Current Generation

To spot disruptions early and respond effectively, HCLTech has a structured approach of scanning thousands of market signals, identifying strategic risks and converting them into opportunities. This approach has helped us in being a pioneer in the remote infrastructure services industry, being the first IT services company to create a scalable and profitable products business and in building our breakthrough early-career TechBee program for hiring students right after high school. Today, we are exploring opportunities emerging out of AI, sustainability and global supply chain realignment for future growth. While constantly watching out for such new signals in the market, we also look for profitable long-term growth opportunities in our existing businesses. This has been visible in continuing strong traction for our traditional services, while achieving industry-leading growth in digital propositions.

AI as a Force Multiplier

Globally, AI is becoming a force multiplier, opening avenues to support and achieve strategic objectives more quickly. At HCLTech, we strive to focus on real opportunities with potential to create meaningful impact. AI has become a core part of our strategy and plays a pivotal role across our five medium-term strategic objectives. We have identified realistic use cases that can accelerate toward achieving those strategic objectives. AI adds more power to our **services and products,** reflected in our recent launch of HCLTech AI Force and HCLTech Enterprise AI Foundry to accelerate AI-led business transformation journey. For **employees,** AI helps drive productivity and improves experience; for **clients,** AI solves critical problems , drives innovation and enhances efficiency; for **ESG initiatives,** AI is helping in achieving sustainability goals; and for **total shareholder return,** AI-related initiatives are making a positive impact on the top line and bottom line.

Enhance Value through Efficient Capital Allocation

Capital allocation is one of the most critical means of translating strategy into action. How effectively an organization allocates capital to drive outcome can make the difference between underperformance and sustained success. HCLTech drives effectiveness and efficiency of capital allocation by adhering to budgeting discipline, clear strategic rationale, guidelines for investment, superior return metrics, risk appetite framework and a robust governance mechanism. We focus on value-creating growth and systematically invest in businesses that create value from strategic and financial standpoints. We determine the extent to which an investment is supported by favorable tailwinds from the market and strengthens our competitive advantage, which is key to producing sustainable high returns.

Align the Larger Ecosystem to Strategic Objectives

In addition to aligning everyone internally and getting the message out to our employees, we are focused on communicating our strategic objectives and progress to key external stakeholders, including investors, clients, partners, potential employees and the global and local communities. This approach helps align our ecosystem of key external stakeholders and attracts clients, shareholders, talented people, partners, organizations and communities willing to join us on our long-term journey. Our partnership with Verizon Business is one such example.

Peter Drucker's epithet that "strategy is a commodity, execution is an art" is often mentioned to reinforce the importance of culture in executing strategy. At HCLTech, through the intelligent integration of both culture and strategy, we are truly able to drive impeccable execution to supercharge progress.

Medium-Term Strategic Objectives



Leadership through **differentiated services and products**



Employer of Choice in professional services across all key geographies



Preferred **Digital Partner for Global 2000** enterprises in chosen markets



Weave **ESG goals** into business strategy



Deliver **top quartile TSR** over the medium term

Strategic Objective 1

Leadership through **Differentiated Services and Products**

Achieving leadership in the technology business requires creating relevant, differentiated services and products and delivering it to meet the evolving needs of enterprises. Two critical elements — talent and innovation are at the core of this objective. Companies need a relentless focus on these components to avoid falling into obscurity by failing to align with client requirements.

At HCLTech, our commitment to innovation ensures the development of outstanding offerings and plays a pivotal role in attracting top talent. Professionals join us because they know they will get the opportunity to work on the latest technologies and make meaningful impact. This creates a virtuous cycle fueled by a culture that values ideation and entrepreneurial spirit — what we call Ideapreneurship.

This section outlines how HCLTech is achieving its strategic objective of gaining leadership through differentiated services and products

Global Leader in Services and Products

Imbued with the pioneering DNA of the HCL Group, HCLTech continues to lead technology innovation, affirming its position as a trusted partner in the global technology sector. Our leadership position is powered by our industry-leading capabilities centered around digital, engineering, cloud, AI and software, coupled with a broad portfolio of technology services and products that help enterprises stay future-ready.

HCLTech's strategic progression and technological prowess have been recognized by leading industry analyst firms such as Gartner, Forrester, IDC, Everest, Avasant, HFS, ISG, Zinnov and more. HCLTech received multiple analyst recognitions throughout the year, underscoring this achievement.

Key Analyst Recognitions

- Leader in Everest Group's Software Product Engineering Services PEAK Matrix® Assessment 2024
- Leader in IDC MarketScape: Worldwide Software Engineering Services 2023 Vendor Assessment (doc:# US51330523, Nov 2023)
- Leader in Everest Group's 5G Engineering Services PEAK Matrix® Assessment 2023: The Next Frontier in the Hyperconnected Era
- Leader in Everest Group's ACES Automotive Engineering Services PEAK Matrix® Assessment 2023: Navigating the Future of Automotive Landscape
- Leader in Everest Group's Digital Twin Services PEAK Matrix® Assessment 2023
- Leader in Gartner® Magic Quadrant™ for Data Center Outsourcing and Hybrid Infrastructure Managed Services, Worldwide*
- Leader in Gartner® Magic Quadrant™ for Public Cloud IT Transformation Services*
- Leader in Gartner®, Magic Quadrant for Outsourced Digital Workplace Services*
- Leader in Gartner® Magic Quadrant™ for Managed Mobility Services, Global*
- Leader in Gartner® Magic Quadrant™ for Managed Network Services*
- HCLTech recognized by its customers with the Gartner Peer Insights Customers' Choice distinction in Voice of the Customer for Data Center Outsourcing and Hybrid Infrastructure Managed Services, Worldwide*
- Only service provider to win six 2023 ISG Star of Excellence Awards including the Overall Star of Excellence Award
- Leader in IDC MarketScape: Canadian Managed Multicloud Services 2024 Vendor Assessment (doc # CA50302123, Feb 2024)

- Leader in Everest Group's Application Transformation Services PEAK Matrix® Assessment 2024 – North America & Europe
- Leader in IDC MarketScape: Worldwide Application Modernization Services 2023 Vendor Assessment (doc #US50607723, Jan 2024)
- Leader in IDC MarketScape: Worldwide Oracle Implementation Services 2023 Vendor Assessment (doc# US49837623, Aug 2023)
- Leader in Avasant's SAP S/4HANA Services 2023-2024 RadarView™
- Leader in Everest Group's Identity and Access Management (IAM) Services PEAK Matrix® Assessment 2023
- Leader in Avasant's Intelligent Automation Services 2023-2024 RadarView™
- HCLSoftware (HCL BigFix) positioned as a Strong Performer in The Forrester Wave™ for Unified Endpoint Management, Q4 2023
- HCLSoftware (HCL DX) positioned as a Leader in Omdia Universe Digital Experience Management 2023
- HCL Software positioned as a Challenger in 2024 Gartner® Magic Quadrant™ for Digital Experience Platforms, February 2024*

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Growing Our Services and Product Leadership

For technology firms, persistent innovation is the key to securing a sustainable competitive edge. At HCLTech, our commitment to sustaining and enhancing our leadership in services and products drives us to explore new frontiers continually. This involves developing innovative solutions and establishing centers of excellence (CoEs), enhancing our software offerings, acquiring specialized capabilities and investing in tailored industry solutions, state-of-the-art labs and strategic partnerships. Below, we detail the specifics that we are implementing to fortify our leadership stance:



Engineering DNA at the core of our service and product offerings: HCLTech's reputation of having a very strong engineering pedigree, a roll-up-the-sleeves attitude and a realistic approach to business have ushered in creating and delivering differentiated services and products to solve its clients' problems. HCLTech's core engineering DNA differentiates it when it comes to our approach to solving client problems. Backed by four decades of engineering excellence, HCLTech combines deep technological expertise with practical solution-focused approach to solve complex problems and deliver value to its clients.

Strengthening cloud offerings: HCLTech works with hyperscalers and essential cloud technology partners to strengthen its offerings. In pursuit of sustained medium-term growth, our focus extends beyond cloud migration toward developing vertically integrated industry solutions. Our suite of cloud services is reinforced by intelligent automation and an extensive partnership ecosystem, spanning the full cloud spectrum — from platform engineering and cloud-native applications to mainframe modernization.

Perfecting Service Delivery: Transforming great ideas and objectives into client value hinges on execution. A well-established service delivery and talent management framework significantly amplify HCLTech's mastery over execution. These elements have been developed and refined over years. Today, they are at the core of our culture. We have the capability to manage projects in onshore and

through nearshore locations such as Mexico, Morocco or others, and at New Vistas sites in smaller urban areas across India, the US and Europe. A wide range of project delivery options allows us to accelerate execution, access to best-in-class talent, reduce attrition, increase diversity and enhance operational stability — delivering superior value to our clients.

Identifying and Investing in Next-Gen Offerings: HCLTech heavily invests in research, across labs, frameworks, accelerators, platforms and technologies, aiming to capture and reuse this knowledge across multiple engagements. We analyze trends primarily leveraging our SROM (Strategic Risk and Opportunity Management) framework and monitor when emerging technology becomes relevant and actionable, helping to build differentiated products and services for our clients. We focus on creating next-gen labs, industry use cases, minimum viable products and proof of value experiments for clients using disruptive technologies such as GenAI, AI/ML-enabled automation, quantum, 5G, metaverse, low code/no code, confidential computing, sovereign cloud and more.

Cultivating Innovation through Ideapreneurship: While HCLTech has grown exponentially over the years, it has never lost sight of its startup mindset. We always approach our work with an idea-first attitude because each of our achievements, big or small, starts with a single spark of an idea. The practice of Ideapreneurship is one of the main pillars of our internal idea-driven mindset. Ideapreneurship has become a self-sustaining, self-inspired innovation engine that drives HCLTech forward and prepares us as an organization of the future. Platforms like eSTIP™, HCL Startup SYNC (Speedup-Your-Novel-Conception) and Value Creation play significant roles in our innovation journey.

Enhancing Services Leadership: HCLTech's leadership in services is rooted in its ability to leverage its expertise, experience and innovation to help clients achieve outcomes at speed and scale. While retaining our market share in traditional services, HCLTech also focuses on growth opportunities in digital and next-gen services. Along with developing new capabilities, we also focus on training our talent, exploring new delivery locations and forging world-class partnerships, to enhance our services leadership.

Developing Vertical Capabilities to Address Client Needs: HCLTech gains credibility and success from its deep domain knowledge of industries. By focusing on building new vertical and sub-vertical capabilities, along with industry-specific solutions leveraging the latest technologies and partnerships, HCLTech adds real value to its clients. When organic capability development requires longer duration and has higher total cost of ownership (TCO) or when developing niche skills is challenging, HCLTech does consider inorganic option to cater to clients better and faster.

One such acquisition this fiscal was ASAP Group, a German automotive engineering services provider. Headquartered in Ingolstadt, Germany, ASAP is focused on future-oriented automotive technologies in areas such as autonomous driving, e-mobility and connectivity. ASAP serves top automotive original equipment manufacturers (OEMs) and tier 1 suppliers in Germany. ASAP's services portfolio comprises electrics/electronics, software, consulting, service testing and validation and vehicle development. ASAP has over 1,600 employees across nine locations in Germany. With this acquisition, HCLTech strengthened its leadership in engineering services, especially in the fast-growing automotive engineering services sector in Europe and other key global markets

AI and GenAI to drive the next wave of growth: At HCLTech, we have adopted a multi-pronged approach to tap the potential of AI and GenAI. We are infusing our solutions with AI and GenAI, built suites like HCLTech AI Force and HCLTech Enterprise AI Foundry, working with ecosystem partners to drive innovation and offerings, and co-innovating with our clients. We aim to unlock the full potential of AI and GenAI by delivering impactful horizontal and vertical solutions across diverse industries. While our horizontal solution suite improves efficiency for the processes and functions and enhance quality of output, the vertical solutions are focused at solving industry-specific business problem with faster time to market and profitability.

HCLTech is actively engaged with its clients to help them achieve their business goals with the help of AI and GenAI, faster and efficiently. In one of such successful client engagements, our GenAI solution for one of the major medical device companies has streamlined clinical evaluation report creation, slashing effort by 44% and boosting acceptance to 62%.

Expanding and Evolving the Partner Ecosystem to Enable Growth: HCLTech accelerates the creation of comprehensive solutions for its clients by expanding capabilities and leveraging its ecosystem partners. A dedicated ecosystem team is focused on identifying and forging new partnerships, aiming to introduce novel capabilities and offerings for our clients.

Building Niche Product Leadership: HCLSoftware's strategy to carve out a niche leadership position in the software product market is supported by a centralized product innovation organization tasked with overseeing all portfolios. Key focus areas under this umbrella include Total Experience, Business Apps and Industry Software, Data and Analytics, Intelligent operations, Security and Compliance along with a bucket of specialized products. We have anchored HCLSoftware's AI philosophy in adopting, embedding, plugging in and infusing AI in everything from our products to cloud/XaaS offerings. We are working on value creation by transitioning from a human-led and automation-assisted model to one that is automation-led and human-assisted. This transformation affects automated workloads, operational intelligence, self-healing systems and self-service workflows, all through the application of GenAI.

Recognitions for Vertical Industry Solutions

Financial Services:

- Leader in Everest Group's Payments IT Services PEAK Matrix® Assessment 2023
- Leader in Everest Group's Banking Operations – Services PEAK Matrix® Assessment 2023
- HFS Horizons: The Best Service Providers for Asset and Wealth Management, 2024
- Leader in Avasant's Life and Annuities Insurance Digital Services 2023–2024 RadarView™

Manufacturing:

- Leader in IDC MarketScape: Worldwide Smart Manufacturing Asset Management Service Providers 2023-2024 Vendor Assessment (doc# US49760023, Dec 2023)
- Leader in Avasant's Manufacturing Smart Industry Services 2023 RadarView™

Life Sciences & Healthcare:

- Leader in Everest Group's Medical Devices Digital Services PEAK Matrix® Assessment 2023
- Leader in Everest Group's Healthcare Data and Analytics Services PEAK Matrix® Assessment 2023
- Leader in Everest Group's Life Sciences Smart Manufacturing Services PEAK Matrix® Assessment 2023

Technology & Services:

- Leader in Avasant's High-Tech Industry Digital Services 2023–2024 RadarView™
- Leader in Avasant's Higher Education Digital Services 2023-2024 RadarView™

Public Services (Energy & Utilities, Travel-Transport-Logistics & Govt.):

- Leader in Everest Group's ACES Automotive Engineering Services PEAK Matrix® Assessment 2023: Navigating the Future of Automotive Landscape
- Leader in HFS Horizons: Travel, Hospitality, and Logistics Service Providers, 2023
- Leader in Avasant's Aerospace & Defense Digital Services 2023-2024 RadarView™

Retail & Consumer Packaged Goods (CPG):

- Leader in HFS Horizons: Retail and CPG Service Providers, 2023
- Leader in Everest Group's Supply Chain IT Transformation Services for Retail and CPG PEAK Matrix®, Assessment 2023

Telecom, Media, Publishing & Entertainment:

- Leader in Avasant's Media & Entertainment Digital Services 2023-2024 RadarView™
- Leader in ISG Provider Lens™ Telecom, Media & Entertainment Services - Media and Entertainment Intelligent Business Process Services (BPS), Managed and Next-Gen IT Services (ITS), Telecom Intelligent Business Process Services (BPS) - North America 2023

Software:

- HCLSoftware named a Major Player in IDC MarketScape: Worldwide Enterprise B2B Digital Commerce Applications 2023-2024 Vendor Assessment
- HCLSoftware named a Major Player in IDC MarketScape: Worldwide Omnichannel Marketing Platforms for B2B Enterprises 2023 Vendor Assessment





HCLTechies participating in the Polish Business Run 2023

Strategic Objective 2

Employer of Choice in Professional Services across all Our Key Geographies

Talent is a key differentiator for companies in the technology industry. Organizations with an effective strategy for attracting highly qualified, motivated employees and training them in the skills needed to make progress will be long term winners. Talent strategy is especially crucial for HCLTech to meet the expanding and evolving business requirements of our clients. Our multi-pronged talent strategy has proven to be successful and will ensure we maintain our position as an employer of choice around the world.

HCLTech's Talent Today

HCLTech's current headcount reflects the success of the company's talent strategy. As of March 31, 2024, our team comprises 227,481 employees across 60 countries. Compared to FY23, in FY24, our headcount increased by 1,537 while we witnessed a significant reduction in IT services voluntary attrition rate, which dropped from 19.5% to 12.4%. Our nearshore headcount continues to increase and we continue to strengthen our presence in our New Vistas locations.

Global Recognition as an Employer of Choice

In FY24, global experts and analysts honored HCLTech as an employer of choice in professional services with the following recognitionss:

- HCLTech has been named a Global Top Employer by Top Employers Institute for the second consecutive year. We also achieved Top Employer honors in our three principal operational geographies: Asia Pacific, North America and Europe. This recognition is a testament to our unwavering commitment to developing comprehensive people practices and initiatives, driving exceptional career growth for HCLTechies. Our ongoing efforts have earned us the distinction of being a Top Employer in 26 countries, with a No. 1 ranking in 15.
- **Forbes** included HCLTech in its list of the World's Best Employers (2023) in the Professional Services category, highlighting our excellence on a global scale.
- **ET Human Capital Experience Awards** presented HCLTech with the Exceptional Employee Experience Award for Large Enterprises. This accolade reflects our effective people strategy, which delivers outstanding employee experiences through active engagement, genuine listening and strong support for our most valued asset: Our People.
- **Avasant's Radarview™ Report** on Digital Talent Capability 2023 has rated HCLTech as a Leader for the third consecutive year. Recognized for having a Digital Business Capability team that drives direct sourcing and internal fulfillment, HCLTech continues to expand in tier II and tier III cities through its New Vistas initiative.
- **Everest Group** reaffirmed HCLTech's leadership position for the second time in its Talent Readiness

for Next-Generation IT Services PEAK Matrix Assessment 2023. This accolade underscores our consistent performance and leadership in preparing talent for the future demands of IT services.

These distinguished recognitions from leading global organizations reiterate HCLTech's strategic commitment to its people and continuous drive for excellence, reinforcing its status as an employer of choice worldwide.

How Our Talent Strategy Works in Practice

Attracting and retaining talent, alongside reskilling and upskilling employees to keep pace with the evolving technology landscape, is pivotal for organizational success. HCLTech differentiates itself in the talent market through a successful process that consistently achieves these critical employee goals. Our people practices have been honed by years of work that have yielded vital insights into attracting and nurturing talent. Here is a brief overview of our strategic priorities:

Attracting Gen Z Talent

Our targeted programs to attract and recruit Gen Z talent are pivotal to our talent strategy and have given us a head-start as a leading employer for this generation. Currently, Gen Z employees make up 27.2% of our workforce. They prefer organizations that aim for excellence and actively contributing to societal well-being, which aligns perfectly with our values. We have successfully attracted Gen Z talent by emphasizing our commitment to community, ramping up entry-level hiring and enhancing our diversity, equity, inclusion (DEI) and ESG initiatives. These efforts foster a culture of trust and empowerment. We have implemented hybrid work models, democratized access to training and offer personalized career development paths.

Developing Entry-Level Talent

HCLTech has increased its entry-level hiring over the past three fiscal years, positioning it to connect with Gen Z candidates ahead of our competitors. Central to this effort is our TechBee program, which targets highly talented Class 12 graduates. Our career development framework ensures that entry-level hires are well-trained, given opportunities to solve real problems, recognized for their contributions, supported in pursuing higher education and provided with opportunities to grow.

Managing Careers of Rebadged Employees

It is vital to effectively manage the careers of rebadged employees — those who join HCLTech indirectly through client projects. Our mature process ensures a seamless onboarding experience for these individuals and helps chart their career path. A lot of these rebadged employees grow to take up leadership roles in the organization. We have successfully integrated more than 44,000 rebadged employees across 50 countries, including a large rebadging exercise this year as part of a strategic partnership.



HCLTechies at a strategy and planning meet in Noida

Developing Local Talent through New Vistas and Nearshore Programs

Our New Vistas and nearshore programs are powerful talent access models, allowing us to extend beyond traditional centers to tap into talent pools in India and new markets worldwide. These initiatives enhance our ability to employ local workforces and foster diversity. Our New Vistas locations in India have expanded to support delivery operations for all our service lines and boast higher talent retention rates. Employees from these centers represent 15% of our India headcount. Additionally, we operate nearshore centers in 20 countries, including Romania, Sri Lanka, the Philippines, Canada, Guatemala, Poland, Mexico and Brazil, underlining our commitment to leveraging global talent pools.

Training Our Talent

HCLTech's innovative training, reskilling and upskilling approaches ensure its employees are future ready. In FY24, almost 100% of our employees were trained in core skills and 26,110 employees were trained in digital skills. At the same time, almost 27,000 benefited from behavioral and leadership development courses.

HCLTech supports its employees' career growth by providing focused training opportunities, allowing everyone to find their spark and grow. Our democratized training approach enables employees to self-enroll in gamified courses to develop niche skills, increasing personal fulfillment. Upskilling fulfills more than 20% of our demand for skills of the future, including critical areas such as metaverse, Web 3, AI, blockchain and semiconductor. Our talent development centers of excellence have been recognized with several awards, including:

- The Innovator Hall of Fame Gold Award at the Hacker Rank Innovator Awards 2023 for "Newer ways of using assessments."
- The Skillsoft Perspectives award for Innovation in Developing Tech Talent for our 'Aspire' Program.



HCLTech promotes a culture of diversity and inclusion at workplace

Improving Employee Experience

This financial year, we rolled out multiple new initiatives that are fully dedicated to improving the employee experience by increasing engagement, building a culture of transparency and accountability, offering aspirational learning and encouraging workplace democracy. A few notable programs launched were TalentXchange, MentorMe and Aspire. TalentXchange is our internal talent marketplace to facilitate talent mobility and internal fulfillment. This is a win-win initiative, allowing employees to take control of their careers by pursuing new opportunities within HCLTech and enhancing the organization's ability to retain top talent by having skilled employees advance to fill crucial roles needed by the company. The MentorMe and Aspire platforms help democratize learning and enable access to expert guidance.

HCLTech views its reporting managers as the primary enablers of positive employee experiences. We support and train managers to succeed in this crucial role through a program of 360-degree assessments, which has been in place for over a decade. Attrition percentage is a good indicator of the efficacy of these initiatives, and the improvements achieved in the last 12 months validate that we have created a positive impact.

Nurturing Future Leaders

HCLTech is dedicated to cultivating leadership from within the organization. We select our next-generation leaders based on their performance history, leadership potential, credibility and readiness for further growth. These emerging leaders undergo mentorship and training programs to demonstrate their preparedness for heightened roles. A specific objective is nurturing future executive leaders from this group, with an emphasis on increasing the representation of women in executive positions. This focus on leadership development has resulted in a notably stable leadership team with very low attrition rates in recent years. This initiative also helps in succession planning. Our succession planning includes pinpointing immediate and medium-term successors for positions two levels below the CEO and up, ensuring leadership continuity.

Expanding Diversity and Inclusion

HCLTech is committed to building a diverse workforce across multiple dimensions in a verifiable and measurable manner. Some highlights of our progress toward diversity include:

- Increasing the hiring of local talent across our operational geographies to the extent that nearly four out of every five employees in major locations are now local.
- Gender diversity was 29.1% in FY24.
- Implementing policies and guidelines to support an equitable working environment for people with disabilities, including technological and infrastructural accessibility enhancements.
- Conducting recruitment campaigns aimed at bringing LGBTQIA+ talent into our organization.
- Emphasizing pro-diversity branding to attract individuals from different backgrounds and cultures to join HCLTech.

Women Lead Network (WLN) is a HCLTech initiative, aiming to harness the collective power of diverse individuals for business transformation and to catalyze social change within and outside the organization. WLN, spearheaded by HCLTech women employees, advances this transformation through inspirational sessions and collaborative platforms. Through its Engage, Elevate, Endorse strategy, HCLTech WLN is dedicated to empowering women and promoting a culture of diversity, inclusion and success throughout the company.

We continuously benchmark our efforts in diversity, equity and inclusion (DEI). We are proud to have received numerous accolades.

DEI Awards Received by HCLTech:

- **Included in Top Regional Companies 2023 Index** by DiversityInc's Specialty Lists: Recognized for our commitment to workplace fairness, equity and inclusion, highlighting our impact in specific geographic areas.

- **Brandon Hall Group HCM Excellence Awards:** Awards received in categories including Best Learning Program for Unconscious Bias Awareness, Best Advance in Leadership Development for Women, Best Diversity, Equity and Inclusion Strategy, Best Advance in Leading Diversity, Equity and Inclusion Initiatives, Best Benefits, Wellness and Well-Being Program, Best Advance in Employee Recognition Program and Best Advance in Employee Engagement. These awards celebrate organizations with effective programs that achieve measurable results.
- **Included in 2023 Avtar and Seramount's 100 Best Companies for Women in India:** This accolade recognizes our efforts toward supporting women's advancement in the workplace.
- **Exemplar of Inclusion in Most Inclusive Companies Index (MICI) 2023:** by Avtar and Seramount: For our initiatives that foster an inclusive work environment.
- **NASSCOM's DEI Champions List — Jury Special Mention:** An acknowledgment of our dedication to championing diversity, equity and fostering an inclusive culture.
- **Silver Employer recognition in India Workplace Equality Index (IWEI):** This honor acknowledges our initiatives toward LGBTQIA+ equality in the workplace.

Leveraging AI in Talent Management

AI and GenAI are impacting and transforming organizations and individuals. Within our people function, we have taken the initiative to develop proofs of concept and deployments that harness data science and AI. Our approach to AI is multifaceted: to leverage AI for people services delivery; to use AI and data science for sentiment analysis and increasing meaning at work for employees and thereby improving engagement and retention; and to deploy AI to become more effective in the talent operations area.

Simplifying Processes and Systems

As we enable our hiring and employee management processes with further digitization leveraging AI, HCLTech is deeply committed to simplifying policies, processes and systems to improve employee experience. We strive to make the employee-organization interface as transparent, frictionless and fulfilling as possible. We have an ongoing transformation program that is focused on improving our employee experience primarily by simplifying processes and systems through the entire employee life cycle.

Our holistic approach to talent strategy, relentless focus on training our employees and efforts to diversify our talent pipeline to be future-ready have continued to put us in a position of strength in the market. We will sustain our effort to nurture and empower our employees to continue delivering extraordinary experiences and supercharging progress for our clients.



Collaboration and a dynamic work environment are a way of life for HCLTechies



HCLTech representatives discussing our Total Experience strategy at Adobe Summit 2024

Strategic Objective 3

Preferred **Digital Partner for Global 2000 Enterprises** in Chosen Markets

HCLTech seeks to be the preferred digital partner for Global 2000 and equivalent enterprises. This focus is significant given that approximately 70% of enterprise IT spending is attributed to these G2000 or equivalent firms, and around 85% of global technology expenditure comes from just 15 countries, underlining the importance of these clientele and markets.

We actively identify enterprises with significant or forthcoming technology budgets dedicated to transformative technology adoption. Additionally, we have identified a group of consequential or rapidly growing countries outside our primary markets to target for future expansion. Our clients expect the best technology, the highest quality personnel and unparalleled services and products. Meeting these expectations helps HCLTech raise the bar internally, strengthening its talent, leadership and brand. The sharp focus on the 'art of possible' by definitively connecting 'the possible' to 'deployable at scale' makes HCLTech a trusted partner for G2000 enterprises.

Our Client Universe

We focus on G2000 and equivalent companies, such as privately held or government-owned entities, to identify potential clients for our services business. We also have a special program to work with digital-native companies that are on a rapid growth track toward achieving G2000 status. This ensures we engage early with the right clients and don't miss out on potential growth opportunities. HCLSoftware further has a broader client universe that is consistent with the business objectives of a software business. Our approach to client selection is meticulous and strategic. We dedicate our efforts toward the most productive and scalable opportunities, fostering high growth.

Our Geographic Markets

HCLTech categorizes geographical markets by size, growth stage and participation rate.

- **Core markets** represent the regions that are large technology consumers and where HCLTech already has a strong base.
- **Focus markets** represent geographies where technology spending is significant and companies are increasing their outsourcing and adaption of delivery models.
- **New Frontier markets** are the fastest growing countries with large economies and growing technology spend, especially digital spend. HCLTech has a growing presence in these markets, which have huge potential.

FY24 Revenue Profile

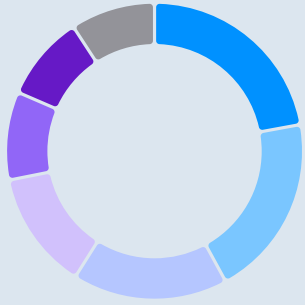
HCLTech's revenue comes from a healthy mix of clients across industry verticals and geographies.

HCLTech's services revenue growth of 5.4% had significant contributions from all major verticals, led by the Financial Services vertical, which grew by 12.1%, and the Manufacturing vertical, which grew by 9.8%, in constant currency. In terms of geographic revenue growth, our biggest markets the Americas and the Europe registered 6.8% and 5.5% growth, respectively, in constant currency.

Client mix by revenue contributions

Client category	FY23	FY24
$100 million+	19	22
$50 million+	46	46
$10 million+	229	254
$5 million+	375	395
$1 million+	939	951

FY24 contributions across verticals



- Financial services 22.1%
- Manufacturing 19.9%
- Lifesciences and healthcare 16.9%
- Technology and services 12.9%
- Public Services 9.6%
- Retail & CPG 9.3%
- Telecommunications, Media, Publishing & Entertainment 9.2%

Key Wins

HCLTech won 70+ large deals in FY24 across services and products. Here are a few notable wins across each vertical:

Financial Services

- **A Europe-based global financial services provider** eexpanded its partnership with HCLTech to launch a new service offering, including digital payments platform development, customer service, operations and financial crime prevention (FCP).
- **A US-based financial services company** partnered with HCLTech to expand the scope of data services for its insurance division, including cloud migration, platform modernization, data management and governance.

Manufacturing

- **A Fortune 500 manufacturing company** expanded its partnership with HCLTech to manage the engineering application landscape and deploy AR/VR-based experience management solutions for an enhanced end-user experience for the global employee base.
- **A US-based chemicals manufacturer** partnered with HCLTech to enhance its sustainability efforts with a state-of-the-art solution for real-time ESG reporting and analytics tools using GenAI, deploying the Net-Zero Intelligent Operations solution.

Life Sciences and Healthcare

- **A Fortune 50 healthcare company** selected HCLTech as the strategic partner for managing its end-to-end IT infrastructure, cloud and security services, consolidating services from multiple vendors.
- **A US-based healthcare provider** selected HCLTech to develop multiple GenAI-based solutions for strategic use cases to enhance clinician efficiency.

Technology and Services

- **A US-based technology company** selected HCLTech as a strategic professional services partner to help drive product adoption and enable business growth. HCLTech will provide product implementation, cloud migration, site reliability engineering and other associated services to global marquee customers of the client.



Our focus on providing top-notch services and products makes us a preferred digital partner of the G2000 enterprises

- **Cloud Services Group** chose HCLTech as the exclusive preferred professional services partner for implementing, upgrading and modernizing all TIBCO products for global enterprise customers.

Public Services

- **A Global 50 integrated energy major** selected HCLTech to transform its operating model into a modern, product-aligned one and enable automation adoption with AI for higher efficiencies.
- **A US-based global hospitality company** chose HCLTech to differentiate its services using the latest digital technologies for scalable and streamlined IT operations.

Retail and CPG

- **A Fortune 50 multinational food, snack and beverage company** expanded its digital transformation partnership with HCLTech, including hyper-automation-led solutions, GenAI capabilities for predictive digital workplace services and cloud operations.
- **A Europe-based global retailer** selected HCLTech to accelerate business transformation across sales, finance, distribution, manufacturing and planning domains with advanced digital technologies, including SAP S/4Hana.

Telecommunications, Media, Publishing and Entertainment

- **Verizon Business** selected HCLTech as its primary managed network services collaborator, offering a best-in-class MNS portfolio, a highly digitized experience and joint innovation on an integrated platform.
- **A Fortune 50 communication services provider** expanded its partnership with HCLTech to transform its billing operations. HCLTech will leverage advanced digital technologies, including GenAI, to provide applications operations and production support to the client.

HCLSoftware

- **A leading university in the UK** chose HCLSoftware as its preferred partner for a mission-critical application to support student records and administration applications.
- **A Europe-based global transportation services provider** selected HCL Actian to upgrade and modernize their flight management application so it can be delivered as a cloud service.
- **A leading telecom player in the US** selected HCLSoftware as its preferred partner for network lifecycle automation to improve visibility and operations.
- **A leading US-based accounts receivable management provider** has signed a multi-year contract with HCLSoftware to modernize and upgrade their applications.

Go-To-Market Overview

HCLTech's go-to-market (GTM) strategy, refined over decades, aims to effectively reach and serve the most desirable clients. While our GTM strategy incorporates a multi-faceted approach, focusing on specific business segments, industry verticals, geographies and ecosystems. The primary goal is to continue to drive a simplified, agile, effective and efficient GTM organization for clients to derive value.

This financial year, HCLTech took a major step to integrate its Engineering and R&D (ERS) Sales with ITBS Sales creating a valuable opportunity for itself to set up a more agile and effective GTM structure. This new GTM structure is aligned with the increasing demand of clients seeking strategic partners with comprehensive capabilities across engineering and ITBS. Market opportunity, mindshare and momentum in our business are the three key factors that shaped the new GTM structure. Our ERS business has some of the best market opportunities available today and we have a huge mindshare in the market. Our pedigree in engineering, specifically product engineering, is well

engrained in the minds of our clients and the market. Momentum, however, is not commensurate with the market opportunity and the mindshare we possess, thus providing an opportunity for us to scale. This integration will help us to leverage our engineering and R&D pedigree across our portfolio of services and help us grow over the medium term both on the engineering and IT services sides.

Our Priorities for Being the Preferred Digital Partner

HCLTech takes a comprehensive approach toward achieving its objective of becoming the digital partner of choice for G2000 companies. Here are some specific initiatives HCLTech is employing to achieve this objective:

Expanding Our Leadership through Differentiated Services and Products

To be the preferred digital partner of the G2000, HCLTech must excel across all strategic objectives. Each of the five strategic objectives supports, amplifies and reinforces one another. Central to this ambition is our focus on providing top-notch services and products, arming our teams with what they need to solve complex client challenges. This capability is crucial in attracting, building and maintaining strong relationships with G2000 clients, and is the cornerstone of our approach of sustaining our services and product leadership. We always seek to push the envelope to enhance our offerings in both services and products.

Developing and Enabling Client-Facing Talent

HCLTech is committed to developing an agile, effective, efficient GTM organization by training and nurturing the right leaders for the right roles. HCLTech's sales development programs equip sales teams with the tools, training and knowledge for them to become trusted advisors to clients. In alignment with the new GTM structure, multiple trainings and workshops were conducted to empower our GTM teams with the value propositions of the combined offerings. HCLTech's enablement framework supports the GTM teams by providing platforms, simplified business processes and advanced analytics. For example, an internal AI-powered knowledge management system helps increase organizational learning and collaboration among team members to facilitate faster decision-making, achieve competitive advantage and share best practices.

Listening and Learning from Our Clients

We constantly collaborate with our clients to sharpen our value proposition. HCLTech's Customer Advisory Board (CAB) consists of CXOs from our most strategic accounts across various industries with varying tenures of working with HCLTech. The CAB members' perspectives, insights, suggestions on improvement areas, thought leadership and directional guidance help HCLTech better address client needs and ensure that we continue delivering value to our clients. The CAB also provides a forum where clients can learn from their professional peers' experiences and best practices in other industries.

Maintaining a Consistent Client Cadence

Through a governance framework called CREST, HCLTech has institutionalized the process of cadence meetings, which are our method of checking in regularly with our clients. Across all engagements, CREST provides a supporting technology platform to initiate a dialogue with clients and understand how HCLTech can help them achieve their goals. CREST works in conjunction with various tools and processes that allow for comprehensive account planning and reporting and keep all stakeholders engaged on the same agenda.



HCLTech CEO & Managing Director C Vijayakumar interacting with client representatives at the Customer Advisory Board meeting in Lisbon, Portugal

Listening Through Client Satisfaction Programs

HCLTech measures and promotes client satisfaction through a variety of programs that track various customer satisfaction indices (CSATs). Project CSAT (PCSAT) monitors client satisfaction for each project. Once a year, an independent third party conducts an account-level CSAT (ACSAT) to provide a health check on client engagement and relationships benchmarked against competitors. Clients have the option to remain anonymous and share candid feedback. As part of this program, every business unit at HCLTech receives a computed Customer Experience Index, a net promoter score (NPS) and a synopsis of client feedback to help it improve and work on specific client requests for improvement. The CSAT program has helped HCLTech increase its overall client experience index to the top quartile and maintain that position in the last few years.

Leveraging Our Brand

The company's brand transformation establishes a new, distinctive identity underpinned by the positioning and narrative of Supercharging Progress, reflecting our commitment to clients, people, communities and the planet. This positioning emphasizes our differentiated services, products and platforms for businesses at speed and scale. Our employee value proposition, "Find Your Spark," complements our external brand and positions us as a global employer brand of choice to attract the world's top tech talent. The refreshed brand identity has boosted our business GTM, talent outreach, employee engagement and commitment to communities and ESG imperatives.

Deepening Relationship with Sourcing and Advisory Ecosystem

Advisors and analysts who help identify client priorities and recommend roadmaps are as important as our clients. We have dedicated programs to ensure that this critical group is kept abreast of our propositions and that we learn from them. Our programs to work with industry analysts, sourcing advisors and deal consultants help us:

- Share HCLTech's strategy and value proposition to support clients' growth
- Establish HCLTech as an industry leader in our chosen areas of operations
- Obtain market and customer insights so that we can effectively refine current offerings and develop offerings that are most relevant to clients and prospective clients

Enhancing HCLSoftware's Go-To-Market

HCLSoftware serves enterprise and mid-market client markets through direct sales organization, business partners and by also embedding offerings through OEM products. HCLSoftware's go-to-market (GTM) strategy is multipronged to address the unique characteristics of its sales process and target markets. It includes strategic focus on key markets, emphasis on annual recurring revenue (ARR) growth, indirect business through business partners and global system integrators, and industry-oriented cloud solutions.

By executing all the strategic objectives and the priorities, HCLTech creates the conditions for G2000 and G2000-equivalent firms to choose us as a preferred partner to overcome their challenges and transform their businesses with our offerings.





HCLTech volunteers and their family members at a plantation drive in Chennai, India

Strategic Objective 4

Weave **ESG Goals** into Business Strategy

We are committed to long-term value creation for all our stakeholders. Our philosophy has always been about incorporating the right environmental, social and governance (ESG) practices to ensure a sustainable present and future. Our holistic approach is designed to maximize our contribution toward the United Nations Sustainable Development Goals (SDGs). To achieve this, we have woven ESG goals into our business strategy. We are leveraging our sustainability expertise to achieve three objectives: to meet our own sustainability goals, help our clients achieve their sustainability goals and create a positive impact for all stakeholders. Recognizing the tremendous business opportunity in addressing client needs in this area, we are developing an integrated value proposition to meet the potential demand.

We have established specific targets for each ESG focus area that reflect our commitment to sustainability and responsibility:

Environmental Goals:

- Achieve net-zero emissions by 2040.
- Reduce absolute scope 1 and 2 emissions by 50% by 2030.
- Transition 80% of electricity usage to renewable energy by 2030.
- Maintain zero discharge from our facilities.

Social Goals:

- Enhance ESG knowledge across the organization.
- Improve gender diversity.
- Be recognized among the best employers in our key operating geographies.

Governance Goals:

- Strengthen our sustainable supply chain process.
- Integrate ESG material topics with risk management and internal audit processes.
- Establish ourselves as a recognized leader in information security practices and data privacy standards.

Achievements

HCLTech made significant progress toward its sustainability commitments (refer to our Integrated/ Sustainability Report). The HCLTech Sustainability School was launched in November 2022 with the objective of enhancing employees' awareness of climate change and its impact on the environment and communities. Through the HCLTech Sustainability School, we have provided all our employees with tools to learn how to reduce their carbon footprint and positively impact the environment, thereby becoming sustainability champions.

Recognitions

Top global assessment platforms and investors, including Sustainalytics, S&P Global, FTSE4Good Index Series, MSCI, CRISIL, and EcoVadis, have recognized our ESG approach. HCLTech was included in the S&P Global Sustainability Yearbook 2024 for the second year in a row. The company received an 'AA' ESG rating from MSCI in 2024 for the second consecutive year. We also received an 'A–' rating from CDP for climate change efforts in 2024. Additionally, HCLTech received the coveted designation as one of the World's Most Ethical Companies® 2024 by Ethisphere, a global leader in defining and advancing the standards of ethical business practices.

Corporate Social Responsibility – HCLFoundation

HCLTech integrates corporate social responsibility (CSR) into the core of its business, aiming to contribute to the socioeconomic and environmental advancement of the planet while adhering to United Nations' SDGs. Our brand proposition of Supercharging Progress highlights our commitment to delivering swift, scalable and sustainable value to our Clients, People, Communities and the Planet. Our global CSR policy centers on the environment, health, education and disaster risk reduction and response. HCLFoundation has driven our CSR efforts in India, investing close to $170 million to date to positively impact more than 6.5 million lives. By building ecosystems of impact, our initiatives have made a significant mark on the global landscape, supporting nearly 200 social initiatives worldwide. In September 2023, HCLTech launched the HCLTech Grant in the Americas program to provide grants to NGOs combating climate change and restoring ecosystems and biodiversity across the Americas. HCLTech has committed $5 million over five years for the program.

Helping Enterprises Achieve Their Sustainability Goals

We help leading global enterprises achieve sustainability goals by leveraging our digital transformation expertise and sustainability-focused solutions, empowering clients to pivot from compliance to competitive advantage. Our deep understanding of materiality considerations and business processes enables us to execute sustainability strategies that drive real impact and create long-term value for all stakeholders.

We provide the following as part of our sustainability services:

Sustainable Product Engineering and Design

- Create products and packaging with minimal environmental impact, leveraging circular economy principles and sustainable materials.
- Measure and minimize the environmental impact of the product lifecycle (Product Carbon Footprint (PCF), Life Cycle Assessment (LCA).
- Recycle, package and design for sustainability aided by sustainability digital twins in compliance with EPR (extended producer responsibility) and EPD (environmental product declarations).

Sustainable Operations

- Help clients streamline their operations with smart energy management systems and resource optimization strategies, leading to greater efficiency and minimized environmental impact.
- Measure, monitor, optimize, normalize, compare, intelligently predict and report on Scope 1, 2 and 3 emissions.
- Help clients adhere to global standards like GRI, CDP, SASB, CBAM and TCFD.



HCLFoundation collaborates with NGOs to offer educational opportunities to the differently abled.



HCLTech Bay Area volunteers team came together to support community efforts to feed the needy

Sustainable Finance

- Employ PCAF-aligned emission quantification for financing, investing and insurance.
- Use technology that facilitates precise target setting in accordance with standards such as SBTI, NZBA and NZIA

Sustainable Data Centers and IT

- Enable green data centers via energy-efficient technologies that reduce energy consumption and adhere to standards like ISO14000 and ISO50001/2.
- Help clients migrate to a comprehensive cloud strategy and sustainable coding practices to reduce their digital footprint.
- Provide solutions that help measure and reduce the impact of carbon emissions and integrate renewable energy sources.

Net Zero Intelligent Operations (NIO), our award-winning, enterprise-wide energy and GHG emission management solution, combines digital twin technology, IoT and AI to connect operations technology (OT) and information technology (IT) systems across enterprises. This integration helps businesses enhance sustainability, cost-effectiveness and energy efficiency, supporting their efforts to reduce carbon emissions and achieve net zero goals. For example:

- A global chemical manufacturer utilized NIO to enable real-time integration of ESG data sources, creating an ESG dashboard for monitoring and enhancing ESG performance metrics.
- A global automotive leader adopted NIO to capture and normalize energy consumption data, facilitating improved comparisons across plants, processes and assets.

Our Simplified ESG Analytics (SESGA) platform integrates data from external ESG providers, providing end-to-end analytical and reporting capabilities. Our solutions, such as the Track and Trace IoT for optimizing delivery routes and AR Remote Assist for facilitating remote site visits, further contribute to reducing fuel consumption, greenhouse gas emissions and operational costs.

HCLTech has been positioned as a Leader in the inaugural edition of Avasant's Tech-enabled Sustainability Services 2023-2024 RadarView™ and in ISG Provider Lens™ – Sustainability & ESG 2023. Our SF360 won the prestigious AWS EMEA Financial Services Innovation Challenge on Sustainability in 2024.

HCLTech's commitment to sustainability has been recognized with several awards and accreditations, with NIO receiving the Cisco Sustainability Award and IoT Product of the Year 2023. NIO recently secured the NASSCOM Spotlight Award. HCLTech has also been rated a Leader in the recent Avasant Tech-enabled Sustainability Services RadarView™ assessment.

Partnerships with AWS, Azure, SAP and niche sustainability players like Waterplan, GoCodeGreen and others enable us to design bespoke ESG solutions. With our CloudSMART approach, we help clients reimagine their cloud journey with a sustainability-first mindset, driving down emissions and improving overall sustainability.

We are committed to driving sustainability within our operations and helping our clients achieve their sustainability goals. HCLTech's comprehensive suite of sustainability-focused solutions and services, combined with our own ESG initiatives, enable us to make a positive difference in the world. Working alongside our clients and partners, we aim to contribute to a more sustainable and equitable future for all.



At HCLTech, we are committed to delivering top quartile TSR

Strategic Objective 5

Deliver **Top Quartile TSR** over the Medium Term

HCLTech is one of the largest technology services companies by market capitalization as on March 31, 2024. We credit this to the market's trust in our differentiated offerings, strong client base, delivery capabilities and high standards of governance and transparency. Over the past decade, we have delivered top-quartile total shareholder return (TSR) among our peers by focusing on high-growth markets, continuously refreshing and enhancing our offerings and driving business efficiency. Our dedication to growth, profitability, return ratios and intelligent capital utilization positions us to maintain this trend of delivering top-quartile TSR. To achieve this goal, we are committed to the following strategic priorities:

Organic Growth

HCLTech's organic growth strategy focuses on capturing opportunities in global markets. A steady and sustainable pipeline led to securing new deals worth $9.8 billion in FY24, reflecting a 10% increase compared to FY23. Over the past decade, our compounded annual growth rate (CAGR) of 12.8% in constant currency has consistently outperformed the industry. In the past few years, we expanded our reach to more Focus and New Frontier markets and increased our prioritization of Core countries. This resulted in strong growth in our business segments — ITBS, ERS and HCLSoftware — which saw growth rates of 6.2%, 1.6% and 2.3%, respectively, in constant currency during FY24.

Sustainably Increasing Profitability

We aim to improve our profitability range over the medium term through the following levers. To maintain an efficient workforce pyramid, we focus on entry-level hiring, onboarding bright minds and training them to succeed. We have more than doubled our entry-level hiring over the last three fiscal years. Our nearshore expansions enable us to work more closely with our clients, taking advantage of local time zones, languages and cultural insights while reducing operational risks. Our 20 nearshore delivery locations allow the company to serve clients more cost-effectively. Through our New Vistas program, we increase employee retention by providing them with the flexibility to work in or near their hometowns. To improve operational efficiency, we are speeding up onboarding processes, reducing the time to bill by leveraging online pre-employment training in partnership with educational institutions, upskilling and reskilling for future technologies. We anticipate optimizing our hiring and training will boost utilization rates and enable us to serve our clients better. Our automation tools, AI-based solutions, accelerators and software further minimize manual effort and increase efficiency.

Prudent Capital Allocation Improves ROIC

We are committed to improving our return on invested capital (ROIC) and have meaningfully improved disclosures regarding this important metric. The overall ROIC for HCLTech is 33.8%, up 341 bps YoY in USD terms. The ROIC for HCLTech services and HCLSoftware are 41.6% and 16.5%, respectively.

Medium-Term Payout Commitments

In October 2021, the HCLTech Board announced a clear plan for allocating capital over the next five years. According to this plan, at least 75% of net income would be paid to investors cumulatively from FY22 to FY26. In FY23 and FY24, the company had a payout ratio of 87.5% and 89.6%, respectively.

Selective Acquisitions

Our approach to inorganic growth opportunities is disciplined and pragmatic, emphasizing building scale and capabilities gradually through carefully selected acquisitions. Aligned with these priorities and our commitment to organic growth, we have been selective in our acquisitions. These strategic moves aim to enhance our capabilities in technologies such as AI and digital engineering, accelerate time to market, strategically expand our focus geographies and complement our existing offerings. This year, we acquired ASAP Group, an automotive engineering services provider focused on future-oriented technologies such as autonomous driving, e-mobility and connectivity. This acquisition has helped us broaden our engineering services and deepen our digital transformation partnerships with existing and new clients. Similarly, selective acquisitions in the recent past of Confinale AG, Star Schema, Sankalp and others are driving synergies.

Working Capital Management

HCLTech efficiently handles its finances by swiftly invoicing and collecting payments, minimizing the funds tied up in working capital. The company has consistently outperformed its peers with OCF/NI conversion rate of 143% for FY24 and robust average of ~136% over the last five years. This robust cash conversion is expected to be ~120% for the next year.

Investor Relationships

HCLTech values regular communication with investors and analysts and has made such communication an integral part of our core governance philosophy.
We believe our investors and analysts add significant value to our business strategy through their insights.
We demonstrate this through our increased commitment to market engagement with measures that include benchmarking our disclosure norms and improving them continuously.



Risk Management

HCLTech recognizes the critical role of risk intelligence and management in achieving its strategic objectives, enhancing stakeholder value and delivering high-quality services to its clients.

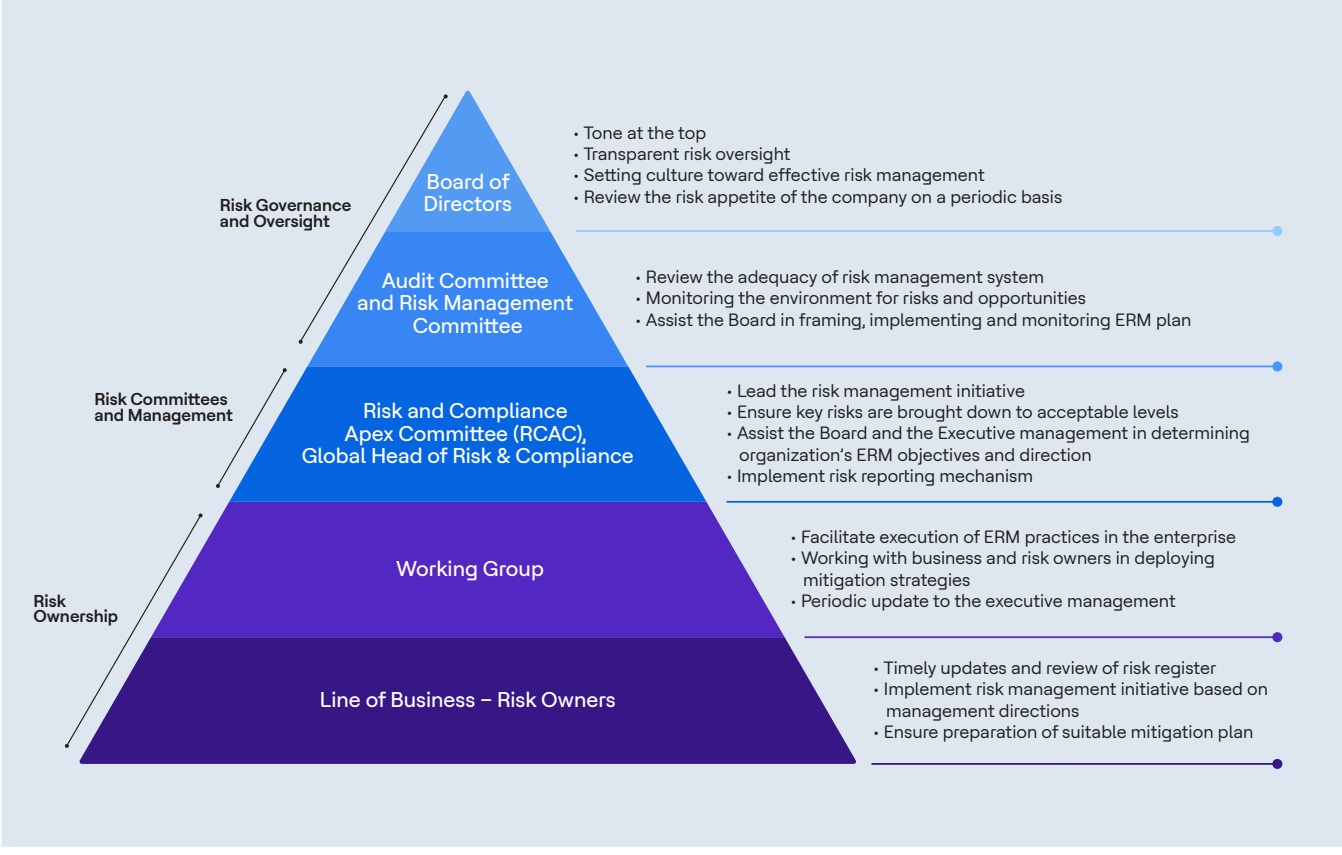
Our Enterprise Risk Management (ERM) program is based on the ISO 31000:2018 Risk Management standard and the COSO ERM Integrated Framework. Through this ERM Program, we proactively identify, assess, mitigate, monitor and report on enterprise risks that could affect our strategic and business goals. In addition, we designed our Risk Intelligence framework to manage external risks by covering Political, Economic, Social, Technological, Legal and Environmental (PESTLE) factors. This comprehensive approach enables HCLTech to effectively navigate the diverse risks that could impact our strategic plans.

Risk Governance and Oversight

Our risk management organization integrates risk management practices seamlessly with our business strategy and operations:

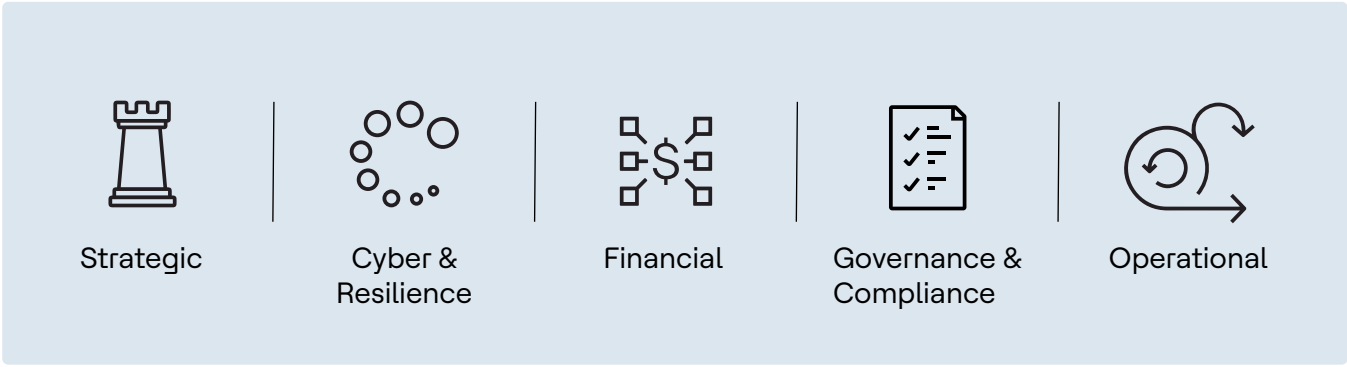
- **Leadership and Framework**: The Board of Directors and the Risk Management/Audit Committee lead the Risk Governance and Oversight function. They are pivotal in framing, reviewing our ERM policy as well as identifying and assessing the organization's key business risks.
- **Shared Responsibility:** Key executives and employees share the responsibility for risk management. The ERM initiative is propelled by the Risk and Compliance Apex Committee (RCAC), Global Head of Risk & Compliance, a dedicated Working Group and Risk Owners throughout the organization.
- **Role of Risk Owners:** Risk Owners, typically senior executives from a Line of Business (LOB) or corporate function, are tasked with mitigating specific risks. They drive mitigation strategies, coordinate risk management activities across their LOBs, corporate functions, geographies and ensure efficient information flow to the Working Group.

Risk Governance Structure



HCLTech's Risk Universe

HCLTech categorizes its risk universe into five main categories: Strategic, Financial, Cyber & Resilience, Operational, and Governance & Compliance, as illustrated in the accompanying graphic. Below, we discuss the primary risks within each category and their respective mitigation measures.



Strategic Risks

Primary Risk	Details	Mitigation
Business Model	HCLTech operates in a fast-paced industry. The inability to keep up with changing client needs, attracting quality talent and adapting to evolving operating models can affect business growth. Additionally, emerging technologies such as GenAI pose a threat to the existing business model and also an opportunity to offer new services.	• Our Strategic Risk & Opportunity Management (SROM) framework, led by our Strategy Office helps scan signals and identify risks and opportunities ahead of time. Such signals are evaluated for their strength, scope of impact, time horizon to impact, etc. Such identified trends are then planned through a strategic planning process and enabled for execution. Timely identification and impact analysis facilitate the creation of initiatives to mitigate the risk or realize the benefit from an opportunity.
Portfolio Concentration	HCLTech recognizes the risk posed by concentration be it within specific business segments, industry verticals and regions. An adverse event impacting any of these dimensions could have a material impact on the company's performance.	• As a best practice, we test our portfolio for concentration risk at regular intervals on various dimensions. We use diversification as one of the key tools to mitigate risk as well as propel growth. • We try to maintain a healthy balance and avoid over dependency across dimensions like verticals, clients, geographies, and business segments., For example our client base and revenue share across verticals is well spread. Revenue contribution from top 20 clients is less than 30%, we have reduced regional dependency by expanding into new geographies and have evolved our offerings portfolio and have even strategically strengthened our Software portfolio.

Primary Risk	Details	Mitigation
Business Delivery	HCLTech faces risk from constraints on service delivery due to technological limitations, pandemics, geopolitical developments and the lack of availability of talent. Any of these factors can adversely impact the company.	• HCLTech continuously monitors the global environment and works closely with advisors, clients, partners and governments to minimize risk related to its delivery model. • To access the best talent and develop service-delivery resilience, we have expanded into new locations in Asia Pacific, Eastern Europe, Latin America and India through our New Vistas (NV) and nearshore initiatives. • We leverage our COEs, internal innovation platforms, subject matter experts, practice teams and ecosystem partnerships to overcome technology-related delivery challenges.
Competition	HCLTech operates in a fiercely competitive market with numerous companies vying for the same clients. Additionally, we face competition from management consulting, advisory firms and GCCs (Global Capability Centers) that are emerging as strong players in digital transformation services. This increased competition could cause us to lose clients and market share.	• Most efficient service providers will continue to fare well in this competitive yet large market. Execution and client satisfaction will be the defining parameters for becoming the preferred partners of enterprises. • HCLTech's dedication to nurturing its relationships with clients is reflected in our consistently high CSAT scores, which are well above the industry average year after year. Our high client satisfaction scores result from our differentiated offerings, our ability to adapt to new trends and technologies to meet our clients' changing needs and our impeccable execution. • HCLTech adopts a flexible coopetition strategy, by exploring mutually beneficial partnerships and alliances where permitted. We perceive these challenges as opportunities and have consistently monitored and adapted to them over the years. For example, IT service providers, including HCLTech, can seize the opportunity to generate additional revenue when captive IT units/GCCs outsource IT service responsibilities to them.
Ecosystem	Today's business world is ecosystem-driven. HCLTech works with its ecosystem partners to drive innovation, build new offerings and co-innovate to solve client challenges. Services and solutions provided in conjunction with ecosystem partners contribute a significant portion of HCLTech's revenue. Failing to build and manage relevant ecosystem partnerships may impact attracting and catering to G2000 and equivalent clients.	• HCLTech has mastered the art of building and managing ecosystem partnerships as a pioneer in this approach for the last many decades. We have a dedicated organization that works on this as a business opportunity. • HCLTech maintains good relationships with current ecosystem partners and, through a systematic approach, identifies and forges partnerships with emerging players to stay relevant. • HCLTech, with its vast ecosystem of partners, provides its clients the flexibility to choose from multiple options. For example, HCLTech has partnerships with multiple hyperscalers and OEMs.

Primary Risk	Details	Mitigation
Brand and Corporate Reputation	HCLTech has a global footprint in 60 countries. The company is exposed to brand and corporate reputation risks in the form of negative or inaccurate media reports or social media posts by internal and external stakeholders. The inability to track and respond in time to this potential negative communication can harm HCLTech's corporate reputation among key stakeholders such as clients, employees, investors and partners. This could lead to loss of business from clients and reduced capacity to attract top talent. The company has also launched its new brand identity and 'HCLTech' logo with the brand positioning of 'Supercharging Progress.' Failure to roll out the new brand identity and adhere to brand guidelines within and outside the organization may lead to brand dissonance.	• The company partners with an online reputation management agency and deploys advanced digital tools to track mainstream and social media channels to monitor coverage and conversations relating to HCLTech. A social media policy is also available to employees on Dos and Don'ts when it comes to social media. • The company has implemented a robust crisis communications management framework to identify and respond to any potential crisis worldwide. HCLTech has a global crisis communications agency on record and PR agency partners in multiple GEOs that enable it to respond to any crisis 24/7. It also conducts simulation exercises for crisis communication with key stakeholders within the organization. • HCLTech has shared detailed brand usage guidelines with its key partners and employees/internal stakeholders to ensure the company logo and digital assets are correctly used. • The company undertakes annual brand audits to measure brand health and perception among key stakeholders.

Financial Risks

Primary Risk	Details	Mitigation
Default or Credit	HCLTech's credit risk is concentrated in cash and bank balances, inter-corporate deposits, customer receivables, finance lease receivables, investment securities and derivative instruments. The company's clients are primarily corporations based in the US, Europe and other geos, so its receivables are concentrated in these countries. All financial instruments mentioned above carry a risk of non-performance by counterparties.	• HCLTech evaluates its clients' financial reliability by analyzing their financial performance, current economic trends, historical debts and customer receivables. This ongoing evaluation process helps in mitigating the risk.
Currency	HCLTech generates most of its revenue from clients outside of India and receives payments primarily in foreign currencies. Similarly, as HCLTech has delivery teams based in various countries, most of its costs are also denominated in foreign currencies. This situation puts HCLTech at risk of financial loss due to changes in exchange rates.	• HCLTech uses foreign exchange forward contracts and a combination of options to mitigate the risk of foreign currency fluctuations on its net receivables/payables and forecasted transactions in certain currencies. • The company's Board establishes prudent governing policies and processes that determine the duration of hedges, the percentage of risk to be covered and the counterparty risk to be assumed.
Acquisition and Integration	HCLTech makes strategic business acquisitions from time to time. The success of these acquisitions hinges on effective integration and realizing synergies with HCLTech. Internal factors as well as external factors beyond our control can also play a role. These factors may include the risk of impairing goodwill, failed synergies and other intangibles if integration is not handled effectively. Additionally, a lack of integration process can limit the ability to capture synergy benefits.	• Our governance program includes a robust mechanism to ensure regular reviews at multiple stages starting from the deal stage to integration, with participation from Line of Business leadership to Executive Management to the Board of Directors, to address issues effectively. • HCLTech's robust integration and performance management framework enables the acquired businesses and HCLTech to achieve the acquisition objectives. Our Integration and Performance Management Office (IPMO) manages the integration process and ensures value creation.

Primary Risk	Details	Mitigation
Tax	HCLTech is subject to taxes in numerous jurisdictions worldwide and benefits from tax advantages in India and other countries. Changes to tax laws in India and other countries where HCLTech has a significant presence could impact the company's effective tax rate. As HCLTech operates in multiple jurisdictions, transfer pricing arrangements among legal entities in these regions are subject to review by various tax authorities.	• HCLTech employs specialized tax teams that keep abreast of the latest tax developments in different countries and implement appropriate tax planning strategies based on changes in tax laws. • To mitigate tax risks associated with transfer pricing, we have established advance pricing agreements in several countries and periodically review them with external consultants.

Operational Risks

Primary Risk	Details	Mitigation
Talent Management and Development	Managing talent and meeting the ever-increasing demand for talent poses a significant ongoing risk to the company. HCLTech faces the risk of failing to fulfill resource demands due to a talent shortage, which could negatively impact top-line growth and organizational expansion. Furthermore, the risk of higher attrition rates could equally affect delivery capability and growth plans. Additionally, legislative changes restricting work visa availability and deglobalization could impact further.	• HCLTech has developed a robust strategy for hiring and making entry-level talent productive worldwide. Our comprehensive training strategy is designed to meet the needs and goals of all employees, encompassing professional, technical, functional and leadership development. This approach is crucial for mitigating the risk of an unprepared leadership pipeline due to insufficient development and succession planning. • We have implemented various initiatives to attract, engage and retain a stable, content and diverse multi-generational employee pool. • To mitigate the potential effects of legislative, HCLTech has strategically reduced its reliance on work visas by recruiting more local talent. This approach has led to one of the industry's highest local talent ratios. Furthermore, leveraging nearshore centers and focusing on onshore delivery has minimized our dependency on work visas.

Primary Risk	Details	Mitigation
Service Delivery Commitments	HCLTech recognizes the risk of failing to comply with terms and conditions, including meeting contractual commitments and service level agreements (SLAs) with its clients. This is considered a significant enterprise risk, emphasizing the need to effectively identify, monitor and report on SLAs to relevant stakeholders. The COVID-19 pandemic, geopolitical dynamics, the Russia-Ukraine conflict, the Israel-Palestine conflict and related events have highlighted the disruptions resulting from supply-side shortages and logistics-capacity constraints.	• HCLTech employs an integrated business planning and execution process in which the sales and delivery teams regularly engage with clients to ensure the seamless execution of engagements within SLAs. The company has a robust cadence mechanism, CREST, with extensive leadership participation to identify and address any issues ahead of time. We also use Account Customer Satisfaction (ACSAT) at an account level and Project Customer Satisfaction (PCSAT) at the project level to mitigate the risk of failure to meet service delivery commitments. • We have implemented a robust vendor risk management framework to minimize the potential business impact to us and our clients arising from breaches and liabilities that may occur when leveraging third or fourth parties (vendors, suppliers, contractors or service providers).
Cost Management	HCLTech recognizes effective cost management as a crucial aspect of our operations, particularly during periods of higher inflation. Poor budget planning, inaccurate cost estimation and external factors such as rising costs of talent and other resources can all contribute to the risk of cost overruns.	• HCLTech's control processes include frequent benchmarking and delivery restructuring, enabling the organization to remain cost competitive. We also have a seamless view of demand and supply to ensure any genuine cost increases due to external factors are passed on to clients at the appropriate time through billing rate increases in our pricing structure.
Internal Controls and Processes	Lack of processes or poorly designed processes and controls in HCLTech can lead to operational inefficiency and impact business.	• HCLTech has a plethora of robust internal frameworks and processes that are monitored in numerous ways to evaluate their impact. We also have regular audits to ensure process quality and adherence to required processes.
Operational Agility	HCLTech faces a fundamental risk if it is not operationally agile. This means it may not be able to respond and adapt to changing market conditions or meet various stakeholder preferences, including clients, employees and the community. This lack of agility could result in significant financial losses and negatively impact the company's brand.	• HCLTech has strong internal processes and efficient resources to ensure smooth operations and high agility. Our Ideapreneurship-led culture empowers leadership and managers to respond to changing market conditions in line with our purpose and strategic objectives. Our history of success through this approach is evident in our well-trained people who know how to be agile without increasing our exposure to risk.

Primary Risk	Details	Mitigation
AI, GenAI	The implementation of AI/GenAI applications presents a series of risks, including data, privacy, security and reputational concerns. These applications process a vast amount of organizational data. They also generate new data, which may be susceptible to biases, be of poor quality, or lead to unauthorized access and loss. The outputs produced by AI can lead to inaccuracies, compliance violations, copyright issues, breaches of contracts and ultimately, reputational damage to the organization. Additionally, there is a concern that bad actors could use this technology to create convincing deepfakes of company representatives or branding, which could result in significant reputational harm.	• HCLTech has developed an enterprise-level strategy and AI Risk Management Framework, integrating best practices from global standards and guidelines, including the EU AI Act (March 2024) and ISO/IEC 42001. Key components of the framework include: – Addressing potential strategic business risks and outlining mitigation measures. – Emphasizing self-regulation and adherence to Responsible AI principles. – Ensuring a seamless linkage between the AI development lifecycle and the AI Risk Management lifecycle. – Crafting a detailed adoption roadmap for the framework. – Providing clear usage guidelines for stakeholders. • The AI Governance Committee, formed at the HCLTech leadership level, monitors the framework to ensure alignment and compliance.

Cyber and Resilience Risks

Primary Risk	Details	Mitigation
Information and Cybersecurity	As a global IT services provider, HCLTech faces significant information and cybersecurity risks, particularly regarding client and company data protection. The risk of data breaches due to inadvertence, negligence and intentional acts of employees can have a significant negative impact on HCLTech's business.	• HCLTech has implemented a robust and comprehensive Information Security Management System (ISMS) to ensure the highest order of cyber preparedness across the firm. • It has hired qualified cybersecurity professionals and invested in high-end security technology solutions. Additionally, we conduct periodic internal and external audits to assess our preparedness. We have obtained third-party certifications such as ISO 27001, SOC1, SOC2 and PCI DSS where required to demonstrate our commitment to cybersecurity. • HCLTech's Information Security policies are based on industry best practices and leading security frameworks. Security controls are continuously reinforced to ensure the confidentiality, integrity and availability of information assets. Additionally, there is a continuous awareness program for all employees to ensure they are up to date with the latest security practices. • HCLTech has cyber insurance that covers several types of breaches and cyber events.
Business Continuity	HCLTech's reputation as a leading technology company depends on its resilience to disruptions and ability to adapt to a complex and rapidly changing global risk landscape. Business continuity is critical to our ability to deliver services to clients. Failure to meet contractual continuity requirements due to a lack of preparedness can negatively impact an organization's ability to provide uninterrupted service.	• Our business continuity program collaborates seamlessly with our crisis response system, guaranteeing a swift and efficient reaction to any disruptive occurrence arising from human actions or natural causes that could potentially affect our business operations. • As a forward-looking organization, HCLTech continuously enhances our business continuity and crisis management initiatives to boost preparedness and adapt to the constantly evolving threat landscape. Resilience is an integral part of our operations, and we are always working toward embedding it across all aspects of the organization, including work, workforce, workplace, business operations, technology, supply chain and leadership.

Primary Risk	Details	Mitigation
Geopolitical	HCLTech faces risks from global events, such as the ongoing Russia-Ukraine, Israel-Palestine, China-Taiwan and other conflicts, as well as potential sanctions from OFAC (Office of Foreign Assets Control) on China and Iran, which can have significant domestic and global economic implications. Any future global economic or political uncertainties may further exacerbate IT spending reduction, postponement or consolidation, contract terminations, project deferrals and client purchase delays. Such uncertainties can also affect the industries that drive a substantial portion of HCLTech's revenue. Heightened geopolitical situations among the major economies may also impact HCLTech's ability to grow holistically across regions.	• HCLTech has set up a framework to monitor geopolitical risks continuously using the PESTLE framework. This allows for proactive measures to be taken in response to macro developments. The framework is designed to work in tandem with our crisis response program, enabling us to respond effectively and timely to critical events arising from geopolitical developments. • We have been expanding our business across various countries to minimize dependence on any single country for revenue growth and service delivery. Additionally, we have implemented a strategy of hiring local talent through various internal programs, which helps mitigate the risk of any adverse impact on the business due to restrictions on the free mobility of staff. • We strategically invest in a flexible talent model of onsite, onshore, nearshore and offshore resources to address these concerns and empower the best to solve client business challenges.

Governance and Compliance Risks

Primary Risk	Details	Mitigation
Environment Social Governance (ESG)	HCLTech recognizes that ESG risks pose a critical challenge to its business operations. Failure to effectively manage ESG risks can lead to reputational damage, loss of business opportunities and potential regulatory non-compliance, which can significantly impact HCLTech's financial performance and long-term sustainability.	• As a responsible corporate citizen, HCLTech is committed to managing ESG risks and has integrated ESG considerations into its overall risk management program. The board and management at HCLTech are responsible for identifying and mitigating ESG risks. Our program is designed to identify and address ESG risks that could impact our financial performance, reputation and ability to achieve our strategic objectives. • We have enhanced the risk integration and the relevant risk management program to align with our commitment to supercharge progress for communities and the planet, and to support global environmental and sustainability objectives. Please refer to the Sustainability section for more information on our program and key ESG risk factors.
Regulatory Compliance	HCLTech operates in an ever-growing list of countries and industries, leading to a higher risk of non-compliance with regulatory requirements that apply to its business. Failure to comply with such regulations may result in financial and reputational losses for the company.	• HCLTech's global regulatory compliance framework identifies, assesses, monitors and mitigates regulatory risks that affect our operations. This framework covers global and local laws and regulations. It helps the organization prevent violations that could harm our reputation, employees and clients. • We implement comprehensive awareness and training programs to drive compliance culture across the organization. • The board receives quarterly compliance certificates from the respective functions responsible for compliance.

Primary Risk	Details	Mitigation
Privacy	HCLTech's operations have expanded significantly, increasing the scope of processing personal data of individuals, vendors, contractors and enterprises. Furthermore, the evolution and use of artificial intelligence have increased the risk for organizations. Privacy laws across different countries are stringent, dynamic and varied, especially regarding healthcare and financial data. The privacy landscape is continuously shifting as governing bodies worldwide scrutinize the adequacy of privacy laws and regulations. Additionally, case law and privacy actions that individuals and enforcement agencies bring further impact the privacy landscape. Non-compliance with these applicable privacy legislations poses a significant risk to HCLTech.	• HCLTech has established a robust privacy information management system to safeguard personal data and ensure compliance with applicable legal, regulatory and contractual obligations regarding data privacy and protection. • Our privacy information management system includes components such as global governance, policies and procedures, training and awareness programs, privacy impact assessments, privacy by design, data mapping, third-party contractual oversight, incident management and a global privacy compliance monitoring mechanism. These components ensure that we have the necessary capabilities to support global privacy compliance in an ever-evolving regulatory space that requires constant monitoring of regional privacy compliance variances. • A Global Privacy Officer leads our privacy team, which consists of Regional Privacy and Data Protection Officers. HCLTech holds industry-recognized certifications and accreditations. An external global data protection officer provides oversight by independently reviewing and reporting on the measures in place for privacy compliance. HCLTech is investing in technology solutions, including AI, to mitigate privacy risks.
Intellectual Property (IP) infringement and leakage	HCLTech's Intellectual Property (IP) is a key differentiator and reflects its innovative capabilities. The company has implemented extensive measures to drive innovation at all levels of the organization, ensuring that innovation and differentiation are embedded into the company's culture. This approach helps HCLTech continuously adapt and prepare for the future. However, there is a risk of IP infringement and loss of ownership in the absence of effective IP governance, which may result in IP violations.	• HCLTech recently implemented a comprehensive framework adhering to ISO56005 to drive innovation and safeguard the company's intellectual property (IP) to prevent potential losses in ownership rights and financial losses. • HCLTech has implemented technical, process and organizational controls to prevent the infringement of intellectual property such as patents, trademarks and copyrights belonging to others. This helps mitigate the risks of increased litigation, financial losses and reputational damage.
Fraud	The inability to control fraud due to the absence of fraud control measures can lead to serious financial losses and severe reputational damage. Considering our global footprint, the complex internal environment and the need to interact at various levels with the external environment for different supply chain activities, HCLTech is vulnerable to the risk of fraud. The company recognizes this as a critical business risk.	• HCLTech has implemented measures to manage the risk of fraud effectively, including COBEC (Code of Business Ethics and Conduct-Global), the Whistleblower framework, Investigation capabilities, ABAC (Anti-Bribery and Anti-Corruption) framework, Internal Audit and Management Audit, IFC (Internal Financial Controls) framework, Employee awareness campaigns and others.

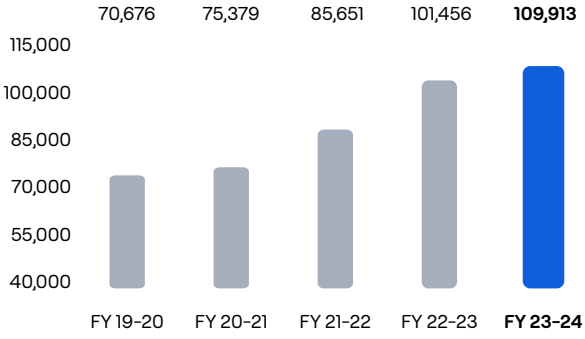
Consolidated Results

This part of the Management Discussion and Analysis refers to the consolidated financial statements of HCL (the "Company" or the "Parent Company") and its subsidiaries 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 31 March 2024, prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS"), prescribed under Section 133 of the Companies Act, 2013, and read with the Companies (Indian Accounting Standard) rules as amended from time to time.

Performance Trends

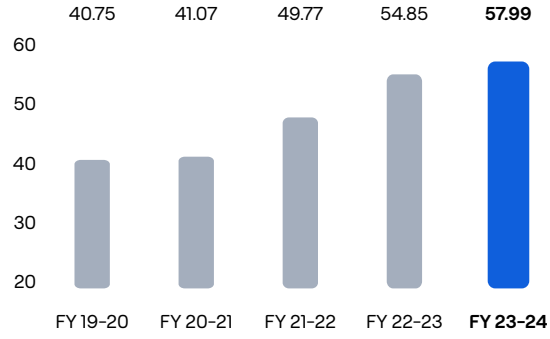
Revenue (₹ Crores)

Revenue has increased from ₹70,676 crores in FY20 to ₹109,913 crores in FY24, with a compounded annual growth rate (CAGR) of 11.7% over the last four years.



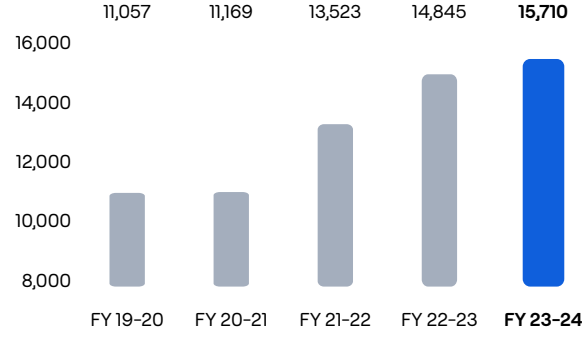
Earnings per share (₹)

Basic earnings per share has increased from ₹40.75 in FY20 to ₹57.99 in FY24, with a CAGR of 9.2% over the last four years.



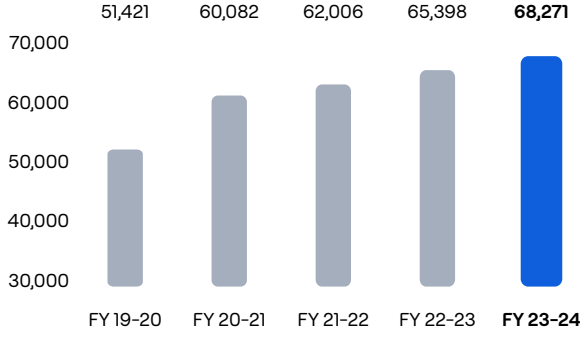
Profit after tax (₹ Crores)

Profit after tax has increased from ₹11,057 crores in FY20 to ₹15,710 crores in FY24, with a CAGR of 9.2% over the last four years.



Net worth (₹ Crores)

The Net worth has increased from ₹51,421 crores in FY20 to ₹68,271 crores in FY24, with a CAGR of 7.3% over the last four years. Growth in net-worth is after considering the effect of dividend payouts.



Financial Performance

Results of operations (Consolidated):

(in ₹ Crores)

	Year ended				
	31 March 2024		31 March 2023		
Particulars	**Amount**	**% Revenue**	**Amount**	**% Revenue**	**% Increase**
Revenue from operations	109,913	100.0%	101,456	100.0%	8.3%
Other income	1,495	1.4%	1,358	1.3%	
Total income	**111,408**	**101.4%**	**102,814**	**101.3%**	**8.4%**
Expenses					
Purchase of stock-in-trade	1,754	1.6%	2,072	2.0%	
Changes in inventories of stock-in-trade	43	0.0%	(67)	(0.1%)	
Employee benefits expense	62,480	56.8%	55,280	54.5%	
Outsourcing costs	14,578	13.3%	14,950	14.7%	
Finance costs	553	0.5%	353	0.3%	
Depreciation and amortization expense	4,173	3.8%	4,145	4.1%	
Other expenses	6,860	6.2%	6,593	6.5%	
Total expenses	**90,441**	**82.3%**	**83,326**	**82.1%**	**8.5%**
Profit before tax	20,967	19.1%	19,488	19.2%	7.6%
Tax expense					
Current tax	4,626	4.2%	4,665	4.6%	
Deferred tax charge (credit)	631	0.6%	(22)	(0.0%)	
Total tax expense	**5,257**	**4.8%**	**4,643**	**4.6%**	
Profit after tax	**15,710**	**14.3%**	**14,845**	**14.6%**	**5.8%**
Non- controlling interest	(8)	(0.0%)	6	0.0%	
Profit for the year	**15,702**	**14.3%**	**14,851**	**14.6%**	**5.7%**

Income

Revenues from operations

Comprises revenue from the sale of services and the sale of hardware and software.

Revenue from operations in the year ended 31 March 2024 increased by 8.3% to ₹109,913 crores from ₹101,456 crores in the year ended 31 March 2023. This increase is primarily due to business growth in the IT and Business Services (ITBS) segment and HCL Software segment. The growth of our ITBS business was strong due to accelerated global enterprise demand for digital transformation programs, including zero-touch client interactions and remote workforce management solutions such as digital workplace and cybersecurity. The growth also resulted from ongoing technology programs such as hybrid cloud adoption, cost optimization initiatives, and tail vendor consolidation programs.

Segment wise breakup of revenues

The following table sets forth the revenue generated from each of our business segments and their respective percentage of our total revenue for the year:

(in ₹ Crores)

	Year ended				
	31 March 2024		31 March 2023		
Segment	**Amount**	**% of total**	**Amount**	**% of total**	**% Increase**
IT and Business Services	81,148	73.8%	74,015	73.0%	9.6%
Engineering and R&D services	17,581	16.0%	16,802	16.5%	4.6%
HCL Software	11,692	10.6%	11,109	11.0%	5.2%
Inter-segment	(508)	(0.4%)	(470)	(0.5%)	8.1%
Total Revenue	**109,913**	**100.0%**	**101,456**	**100.0%**	**8.3%**

1. Inter-segment revenue is related to products and services of HCLSoftware used by Services business in rendering services to their customers.

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)

	Year ended				
	31 March 2024		31 March 2023		
Geographical Mix	**Amount**	**% of total**	**Amount**	**% of total**	**% Increase**
America	63,435	57.7%	57,818	57.0%	
Europe	29,270	26.6%	26,868	26.5%	
India*	3,815	3.5%	3,935	3.9%	
Rest of the world	13,393	12.2%	12,835	12.6%	
Total Revenue	**109,913**	**100.0%**	**101,456**	**100.0%**	**8.3%**

* Includes revenue billed to India-based captive of global clients.

Other Income

The details of Other Income are as follows:

(in ₹ Crores)

	Year ended		
Other Income	**31 March 2024**	**31 March 2023**	**% Increase**
Interest income	1,273	769	
Income on mutual funds	177	110	
Exchange differences (net)	-	91	
Profit on sale of property, plant and equipment (net)	4	162	
Gain on buyback of senior notes	-	170	
Others	41	56	
Total	**1,495**	**1,358**	**10.1%**

Other income increased by 10.1 % to ₹1,495 crores in the year ended 31 March 2024 from ₹1,358 crores in the year ended 31 March 2023. This increase is primarily due to higher interest income by ₹504 crores as compared to previous year largely on account of higher realized return on treasury investment, partially netted off with one time gain in previous year of ₹170 crores on buy back of senior notes and profit on sale of property, plant and equipment (net) of ₹162 crores.

Expenses

Employee benefits expense

Employee benefit expenses include salaries that have fixed and variable components, and contributions to retirement and pension plans. It also includes expenses incurred on staff welfare.

(in ₹ Crores)

	Year ended				
	31 March 2024		31 March 2023		
Particulars	**Amount**	**% Revenue**	**Amount**	**% Revenue**	**% Increase**
Salaries, wages and bonuses	54,606	49.7%	48,717	48.0%	
Contribution to provident fund and other employee benefits	7,288	6.6%	6,041	6.0%	
Share based payments to employees	312	0.3%	308	0.3%	
Staff welfare expenses	274	0.2%	214	0.2%	
Total	**62,480**	**56.8%**	**55,280**	**54.5%**	**13.0%**

Employee benefit expense has increased by 13.0% to ₹62,480 crores in the year ended 31 March 2024 from ₹55,280 crores in the year ended 31 March 2023. The increase is primarily due to an increase in number of employees (227,481 as of 31 March 2024 compared with 225,944 as of 31 March 2023); and a shift in off-on mix toward onsite.

Outsourcing expenses

Outsourcing expense includes outsourcing of several client-related activities such as hosting services, facilities management, disaster recovery, maintenance, and break fix services, and hiring of third-party consultants from time to time to supplement the in-house teams.

Outsourcing expenses decreased by 2.5% to ₹14,578 crores in the year ended 31 March 2024 from ₹14,950 crores in the year ended 31 March 2023. This decrease in the current year is primarily due reduction in third party resources.

Finance costs

Finance costs comprises interest on loans from banks, interest on senior notes, lease liabilities, direct taxes, bank charges and other interest cost.

Finance costs increased by 56.7% to ₹553 crores in the year ended 31 March 2024 from ₹353 crores in the year ended 31 March 2023. This increase is primarily on account of interest cost on working capital management.

Depreciation and amortization expense

Depreciation and amortization expense increased by 0.7 % to ₹4,173 crores in the year ended 31 March 2024 from ₹4,145 crores in the year ended 31 March 2023. This increase is primarily due to an increase in normal business operations.

Other expenses

(in ₹ Crores)

	Year ended				
	31 March 2024		31 March 2023		
Particulars	**Amount**	**% Revenue**	**Amount**	**% Revenue**	**% Increase**
Travel and conveyance	1,314	1.2%	1,235	1.2%	
Software license fee	1,000	0.9%	1,037	1.0%	
Repairs and maintenance	776	0.7%	764	0.8%	
Legal and professional charges	619	0.6%	547	0.5%	
Communication costs	573	0.5%	502	0.5%	
Power and fuel	360	0.3%	328	0.3%	
Recruitment, training and development	297	0.3%	552	0.5%	
Expenditure toward corporate social responsibility activities	264	0.2%	240	0.2%	
Rates and taxes	167	0.2%	227	0.2%	
Insurance	117	0.1%	109	0.1%	
Provision for doubtful debts / bad debts written off (net)	117	0.1%	25	0.0%	
Rent	68	0.1%	67	0.1%	
Others	1,188	1.1%	960	0.9%	
Total	**6,860**	**6.2%**	**6,593**	**6.5%**	**4.0%**

Other expenses increased by 4.0 % to ₹6,860 crores in the year ended 31 March 2024 from ₹6,593 crores in the year ended 31 March 2023. The increase in costs is primarily due to an increase in provision of doubtful debts by ₹92 crores, travel and conveyance expenses by ₹79 crores, legal and professional charges by ₹72 crores, communication cost by ₹71 crores and other expenses by ₹228 crores, partially netted off with decrease in recruitment cost by ₹255 crores.

Tax expenses

Tax expenses comprises current tax and deferred tax.

(in ₹ Crores)

	Year ended	
Particulars	**31 March 2024**	**31 March 2023**
Profit before tax	20,967	19,488
Total tax expense	5,257	4,643
Effective tax rate	25.1%	23.8%

Tax expenses include current tax and deferred tax expenses. Increase in tax expense for the year ended 31 March 2024 is primarily due to the progressive expiry of tax holiday available to SEZ units in India [for details refer to note no 3.25 to the consolidated financial statement].

Financial position

(in ₹ Crores)

	As at	
Particulars	**31 March 2024**	**31 March 2023**
Assets		
(a) Property, plant and equipment	4,891	5,371
(b) Capital work in progress	108	40
(c) Right-of-use assets	2,910	2,337
(d) Goodwill	20,132	18,567
(e) Other intangible assets	7,130	8,344
(f) Other non-current assets	5,275	5,175
(g) Current assets	59,331	53,577
Total assets	**99,777**	**93,411**
Equity		
(a) Equity share capital	543	543
(b) Other equity	67,728	64,855
Total equity	**68,271**	**65,398**
Liabilities		
(a) Non-current liabilities	8,780	6,582
(b) Current liabilities	22,726	21,431
Total equity & liabilities	**99,777**	**93,411**

Other equity comprises other equity attributable to shareholders of the Group and non-controlling interest.

Property, plant and equipment

Property, plant and equipment net of depreciation as of 31 March 2024 is ₹4,891 crores (compared with ₹5,371 crores as of 31 March 2023). The decrease was primarily due to depreciation for the year of ₹1,469 crores (computer and networking equipment of ₹983 crores and the balance of other assets) partially offset with the addition (net of disposal) of ₹630 crores and acquired through business combinations of ₹345 crores.

Right-of-use assets

Right-of-use assets net of depreciation as of 31 March 2024 is ₹2,910 crores (compared with ₹2,337 crores as of 31 March 2023).

Goodwill and intangible assets

Goodwill as of 31 March 2024 is ₹20,132 crores (compared with ₹18,567 crores as of 31 March 2023). The increase was due to acquisitions through a business combination of ₹1,382 crores and currency translation by ₹150 crores [For details refer to note no 3.2 to the consolidated financial statement].

Intangible assets as of 31 March 2024 are ₹7,130 crores (compared with ₹8,344 crores as of 31 March 2023). The decrease was primarily due to amortization of ₹1,862 crores during the year partly offset by acquisitions through business combinations of ₹541 crores (Customer relationships of ₹374 crores and the balance of other assets) and addition (net of disposal) of intangibles by ₹94 crores.

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, deposits with corporate and financial institutions and investments in debt mutual funds and debt securities, with a limit on investments with any individual bank/fund.

Breakup of treasury investments is given below

(in ₹ Crores)

	As at	
Particulars	**31 March 2024**	**31 March 2023**
Debt mutual funds	3,552	1,784
Debt securities	3,491	3,601
Deposits with banks	11,630	9,827
Deposits with corporation and financial institution	1,079	2,602
Total	**19,752**	**17,814**

Current and other non-current assets excluding treasury investments

"Other non-current assets" comprises deferred tax assets (net), and financial and other assets.
"Current assets" comprises inventories, tax assets(net), and financial and other assets.

(in ₹ Crores)

	As at	
Particulars	**31 March 2024**	**31 March 2023**
Other non-current assets	5,275	5,175
Current assets	59,331	53,577
Total	64,606	58,752
Less: Treasury investments	19,752	17,814
Total	**44,854**	**40,938**

Current and other non-current assets, excluding treasury investments increased by ₹3,916 crores to ₹44,854 crores as of 31 March 2024 from ₹40,938 crores as of 31 March 2023. The increase is primarily on account of an increase in cash and cash equivalents (other than bank deposits classified as treasury investment) by ₹3,246 crores and contract assets by ₹490 crores as compared to previous year.

Shareholders' fund

The equity attributable to shareholders of the Group is ₹68,263 crores as of 31 March 2024 (compared with ₹65,405 crores as of 31 March 2023). The increase is primarily due to profit during the year by ₹15,702 crores partially netted off by payment of dividend by ₹14,073 crores.

Borrowings

(in ₹ Crores)

	As at	
Particulars	**31 March 2024**	**31 March 2023**
Long-term borrowings		
- From banks	128	51
- From senior notes*	2,095	2,060
Current maturities of long term borrowings	104	140
Total	**2,327**	**2,251**

Non-current and current liabilities

"Non-current liabilities" comprises provisions, deferred tax liabilities (net), financial and other liabilities.
"Current liabilities" comprises provisions, tax liabilities (net), and financial and other liabilities.

(in ₹ Crores)

	As at	
Particulars	**31 March 2024**	**31 March 2023**
Non-current liabilities	8,780	6,582
Current liabilities	22,726	21,431
Total	31,506	28,013
Less : Borrowings	2,327	2,251
Total	**29,179**	**25,762**

Current and non-current liabilities, excluding borrowings, increased by ₹3,417 crores to ₹29,179 crores as of 31 March 2024 from ₹25,762 crores as of 31 March 2023. The increase is primarily on account of an increase in lease liabilities by ₹894 crores, Deferred tax liabilities by ₹610 crores, accrued employee bonuses by ₹595 crores, provisions by ₹514 crores and contract liabilities by ₹502 crores.

Cash flows

A summary of the cash flow statement is given below:

(in ₹ Crores)

		Year ended	
Particulars		**31 March 2024**	**31 March 2023**
Net cash flows from operating activities	(A)	22,448	18,009
Net cash flows used in investing activities	(B)	(6,723)	(3,931)
Net cash flows used in financing activities	(C)	(15,464)	(15,881)
Net increase (decrease) in cash and cash equivalents	(A)+(B)+(C)	261	(1,803)
Effect of exchange differences on cash and cash equivalents held in foreign currency		115	358
Cash and cash equivalents at the beginning of the year		9,065	10,510
Cash and cash equivalents at the end of the year		9,441	9,065

Net cash flows from operating activities

Net cash generated from operating activities was ₹22,448 crores during the year ended 31 March 2024, consisting of profit before tax of ₹20,967 crores, adjusted for: non-cash and non-operating items which are primarily depreciation and amortization of ₹4,173 crores, and interest income of ₹(1,273) crores; cash generated from net working capital of ₹2,305 crores which was primarily driven by movement in Other financial liabilities, contract liabilities, provisions and other liabilities and cash used to pay taxes (net of refund), which was ₹4,212 crores.

Net cash generated from operating activities was ₹18,009 crores during the year ended 31 March 2023, consisting of profit before tax of ₹19,488 crores, adjusted for: non-cash and non-operating items which are primarily depreciation and amortization of ₹4,145 crores, and interest income of ₹(769) crores; and cash used in net working capital of ₹1,305 crores which was primarily driven by movement in trade receivables and cash used to pay taxes (net of refund), which was ₹3,698 crores.

Net Cash flows used in investing activities

Net cash used in investing activities was ₹6,723 crores for the year ended 31 March 2024. This was primarily due to net amount of placement of bank deposits of ₹3,609 crores, payments for business acquisitions (net of cash acquired) of ₹2,043 crores, purchase (net of maturity/sale) of investment in securities of ₹1,345 crores, net amount of purchase and sale of property, plant and equipment and intangibles of ₹1,016 crores, partially offset with net amount of interest received of ₹1,041 crores and net proceed from deposits with body corporate of ₹526 crores.

Net cash used in investing activities was ₹3,931 crores for the year ended 31 March 2023. This was primarily due to net amount of placement of bank and corporate deposits of ₹3,256 crores, net amount of purchase and sale of property, plant and equipment and intangibles of ₹1,444 crores, Payments for business acquisitions (net of cash acquired) of ₹706 crores partially offset with net amount of maturity/sale and purchase of investment in securities of ₹1,006 crores, interest received of ₹636 crores.

Net Cash flow used in financing activities

Net cash used in financing activities was ₹15,464 crores for the year ended 31 March 2024, primarily comprising payment of dividends of ₹14,073 crores, payment of lease liabilities including interest of ₹1,148 crores and net payment of borrowings ₹181 crores.

Net cash used in financing activities was ₹15,881 crores for the year ended 31 March 2023, primarily comprising payment of dividends of ₹12,995 crores, net payment of borrowings ₹1,848 crores and payment of lease liabilities including interest of ₹927 crores.

Key financial ratios

			Year ended			
Ratio	**Numerator**	**Denominator**	**Units**	**31 March 2024**	**31 March 2023**	**% variation**
Operating profit ratio	Revenue from operations less all operating expenses (refer note 1 below)	Revenue from operations	%	18.2	18.2	0.0%
Net profit ratio	Profit for the year	Revenue from operations	%	14.3	14.6	(2.1%)
Return on net worth ratio	Profit after tax	Average total equity	%	23.5	23.3	0.9%
Current ratio	Current assets	Current liabilities	Times	2.6	2.5	4 0%
Trade receivable turnover ratio	Revenue from operations	Average trade receivables	Times	4.2	4.2	0.0%
Inventory turnover ratio	Cost of good sold (refer note 2 below)	Average inventories	Times	8.7	10.3	(15.5%)
Interest coverage ratio	Earning before Interest expenses and taxes	Interest expenses	Times	41.5	61.3	(32.3%)
Debt equity ratio	Total debt (refer note 3 below)	Total equity	Times	0.1	0.1	0.0%

Notes:

1) All operating expenses means total expenses minus finance costs.
2) Cost of goods sold includes purchase of stock in trade and change in inventories of stock-in-trade.
3) Total debts include lease liabilities.
4) Average is calculated based on simple average of opening and closing balances.

In addition to return on net worth, variations have been explained for ratios with significant variations.

Return on net worth

Return on net worth at 23.5 % in FY24 is higher compared with 23.3 % in FY23 primarily on account of higher profit earned by the Group during the year.

Interest coverage ratio

Interest coverage ratio has decreased from 61.3 times in FY23 to 41.5 times in FY24, primarily due to increase in interest expenses by ₹195 crores as compared to previous year.

Standalone Results

Standalone results of HCL exclude the performance of its subsidiaries.

The discussion in the paragraphs that follow should be read in conjunction with the financial statements and related notes to the standalone results of HCL Technologies Limited (herein referred to as "HCL" or "the Company") for the year ended 31 March 2024, prepared in accordance with the Indian Accounting Standard (referred to as "Ind AS"), prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standard) rules as amended from time to time.

Results of operations (Standalone)

(in ₹ Crores)

	Year ended				
	31 March 2024		31 March 2023		
Particulars	**Amount**	**% Revenue**	**Amount**	**% Revenue**	**% Growth**
Revenue from operations	48,118	100.0%	46,276	100.0%	4.0%
Other income	1,076	2.2%	1,031	2.2%	
Total income	**49,194**	**102.2%**	**47,307**	**102.2%**	**4.0%**
Expenses :					
Purchase of stock-in-trade	135	0.3%	168	0.4%	
Change in inventories of stock-in-trade	10	0.0%	(12)	(0.0%)	
Employee benefit expense	20,965	43.6%	19,799	42.8%	
Outsourcing costs	7,105	14.8%	7,291	15.8%	
Finance cost	125	0.3%	127	0.3%	
Depreciation and amortization expense	2,371	4.9%	2,431	5.3%	
Other expenses	3,027	6.3%	2,787	6.0%	
Total Expenses	**33,738**	**70.1%**	**32,591**	**70.4%**	**3.5%**
Profit before tax	15,456	32.1%	14,716	31.8%	5.0%
Tax expense:					
Current tax	2,873	6.0%	3,045	6.6%	
Deferred tax charge	909	1.9%	212	0.5%	
Total tax expense	**3,782**	**7.9%**	**3,257**	**7.0%**	
Profit after tax	**11,674**	**24.3%**	**11,459**	**24.8%**	**1.9%**

Financial position (Standalone)

(in ₹ Crores)

	As at	
	31 March 2024	31 March 2023
Assets		
(a) Property, plant and equipment	3,225	3,727
(b) Capital work in progress	22	21
(c) Right-of-use assets	1,048	824
(d) Goodwill	6,549	6,549
(e) Other intangible assets	5,511	6,835
(f) Other non-current assets	6,407	6,833
(g) Current assets	29,545	28,571
Total assets	**52,307**	**53,360**
Equity		
(a) Equity share capital	543	543
(b) Other equity	38,927	40,561
Total equity	**39,470**	**41,104**
Liabilities		
(a) Non-current liabilities	2,373	1,589
(b) Current liabilities	10,464	10,667
Total equity and liabilities	**52,307**	**53,360**

Current and other non-current assets excluding treasury investments

"Other non-current assets" comprises deferred tax assets (net), and financial and other assets.
"Current assets" comprises inventories, tax assets(net), and financial and other assets.

(in ₹ Crores)

	As at	
Particulars	**31 March 2024**	**31 March 2023**
Other non-current assets	6,407	6,833
Current assets	29,545	28,571
Total	35,952	35,404
Less: Treasury investments	14,789	13,947
Total	**21,163**	**21,457**

Current and other non–current assets, excluding treasury assets decreased by ₹294 crores to ₹21,163 crores as of 31 March 2024 from ₹21,457 crores as of 31 March 2023; the decrease is primarily on account of decrease in trade receivables by ₹675 crores, deferred tax liability position in current year against deferred tax asset of ₹543 crores in previous year partially netted off with increase in unrealized gain on derivative financial instruments by ₹488 crores and cash and cash equivalents (other than bank deposits classified as treasury investment) by ₹355 crores.

Current and non-current liabilities

"Non-current liabilities" comprises provisions, deferred tax liabilities (net), and financial and other liabilities.
"Current liabilities" comprises provisions, tax liabilities (net), and financial and other liabilities.

(in ₹ Crores)

	As at	
Particulars	**31 March 2024**	**31 March 2023**
Non-current liabilities	2,373	1,589
Current liabilities	10,464	10,667
Total	12,837	12,256
Less: Borrowings	53	191
Total	**12,784**	**12,065**

Current and non-current liabilities, excluding borrowings, increased by ₹719 crores to ₹12,784 crores as of 31 March 2024 from ₹12,065 crores as of 31 March 2023, the increase is primarily on account of deferred tax liabilities position of ₹465 crores as of 31 March 2024 against deferred tax asset position as of 31 March 2023, Lease liabilities by ₹253 crores and provisions by ₹245 crores, current tax liabilities by ₹143 cores, partially netted off with decrease in trade payables by ₹439 crores.

Cash flows (Standalone)

A summary of the cash flow statement is given below:

(in ₹ Crores)

		Year ended	
Particulars		**31 March 2024**	**31 March 2023**
Net cash flows from operating activities	(A)	15,282	13,538
Net cash flows used in investing activities	(B)	(2,331)	(798)
Net cash flows used in financing activities	(C)	(14,480)	(13,267)
Net increase in cash and cash equivalents	(A)+(B)+(C)	(1,529)	(527)
Effect of exchange differences on cash and cash equivalents held in foreign currency		(8)	(6)
Cash and cash equivalents at the beginning of the year		2,374	2,907
Cash and cash equivalents at the end of the year		**837**	**2,374**

Net Cash flow from operating activities

Net cash generated from operating activities was ₹15,282 crores during the year ended 31 March 2024, consisting of profit before tax of ₹15,456 crores, adjusted for: non-cash and non-operating items which are primarily depreciation and amortization expenses of ₹2,371 crores, interest income of ₹(787) crores; and cash generated from net working capital of ₹937 crores and payment of tax of ₹2,611 crores.

Net cash generated from operating activities was ₹13,538 crores during the year ended 31 March 2023, consisting of profit before tax of ₹14,716 crores, adjusted for: non-cash and non-operating items which are primarily depreciation and amortization expenses of ₹2,431 crores, interest income of ₹(558) crores; and cash used in net working capital of ₹349 crores and payment of tax of ₹2,532 crores.

Net Cash flows used in investing activities

Net cash used in investing activities was ₹2,331 crores for the year ended 31 March 2024. This was primarily due to net investment in bank deposits of ₹1,562 crores, purchase (net of maturity/sale) of investment in securities of ₹1,413 crores and net purchase of property, plant and equipment and intangibles of ₹379 crores, partially netted off with maturity of deposits placed with body corporates of ₹526 crores and Interest received of ₹567 crores.

Net cash used in investing activities was ₹798 crores for the year ended 31 March 2023. This was primarily due to net investment in bank deposits of ₹2,293 crores and net purchase of property, plant and equipment and intangibles of ₹593 crores partially netted off with proceeds from the sale/maturity of investments in securities of ₹1,085 crores and maturity of deposits placed with body corporates of ₹606 crores.

Net Cash flow used in financing activities

Net cash used in financing activities was ₹14,480 crores for the year ended 31 March 2024, primarily comprising payment of dividends of ₹14,073 crores and payment of lease liabilities including interest of ₹258 crores.

Net cash used in financing activities was ₹13,267 crores for the year ended 31 March 2023, primarily comprising payment of dividends of ₹12,995 crores and payment of lease liabilities including interest of ₹221 crores.

Key financial ratios (Standalone)

			Year ended			
Ratio	**Numerator**	**Denominator**	**Units**	**31 March 2024**	**31 March 2023**	**% variation**
Operating profit ratio	Revenue from operations less all operating expenses (refer note 1 below)	Revenue from operations	%	30.1	29.8	1%
Net profit ratio	Profit for the year	Revenue from operations	%	24.3	24.8	(2%)
Return on net worth ratio	Profit after tax	Average total equity	%	29.0	27.4	6%
Current ratio	Current assets	Current liabilities	Times	2.8	2.7	4%
Trade receivable turnover ratio	Revenue from operations	Average trade receivables	Times	3.8	3.8	0%
Inventory turnover Ratio	Cost of good sold (refer note 2 below)	Average inventories	Times	4.8	5.4	(11%)
Interest coverage ratio	Earning before interest expense and taxes	Interest expenses	Times	137.8	126.8	9%
Debt equity Ratio	Total debt (refer note 3 below)	Total equity	Times	0.0	0.0	-

Notes:

1) All operating expenses means total expenses minus finance costs.
2) Cost of goods sold includes purchase of stock in trade and change in inventories of stock-in-trade.
3) Total debts include lease liabilities.
4) Average is calculated based on simple average of opening and closing balances.

Variations for return on net worth is explained as below:

Return on net worth

Return on net worth at 29.0 % in FY24 higher as compared to 27.4 % in FY23 primarily on account of higher profit earned by the company during the year.

DIRECTORS' REPORT

Dear Members,

The Board of Directors ("Board") have immense pleasure in presenting the **Thirty-Second Directors' Report** of HCL Technologies Limited ("HCLTech" or the "Company") together with the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2024.

1. FINANCIAL RESULTS

Key highlights of the financial results of the Company prepared as per the Indian Accounting Standards ("Ind AS") for the FY ended March 31, 2024, along with corresponding numbers of March 31, 2023, are as under:

(₹ in crores)

Particulars	Consolidated		Standalone	
	FY ended		FY ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Revenue from operations	1,09,913	1,01,456	48,118	46,276
Other income	1,495	1,358	1,076	1,031
Total Income	**1,11,408**	**1,02,814**	**49,194**	**47,307**
Total Expenses	**90,441**	**83,326**	**33,738**	**32,591**
Profit before tax	**20,967**	**19,488**	**15,456**	**14,716**
Tax Expense	5,257	4,643	3,782	3,257
Profit for the year	**15,710**	**14,845**	**11,674**	**11,459**
Other comprehensive income	855	1,301	439	(259)
Total comprehensive income for the year	**16,565**	**16,146**	**12,113**	**11,200**
Earnings per share of ₹2 each				
Basic (in ₹)	**57.99**	**54.85**	**43.11**	**42.32**
Diluted (in ₹)	**57.86**	**54.79**	**43.02**	**42.27**

2. BUSINESS OVERVIEW AND STATE OF AFFAIRS

HCLTech brings together the best of technology and its people to enable global enterprises to accelerate their digital transformation journeys.

The Company has a footprint across 60 countries and employs over 2,27,000+ people. It's full stack technology services portfolio across the digital, engineering, cloud, AI and software makes it a preferred digital transformation partner to G2000 companies across industries.

The Company serves clients through a network of 200+ delivery centers and 150+ innovation labs. It has also established presence in 20 nearshore locations to deliver in-proximity services to clients. This global reach, combined with a robust ecosystem of partners and hyperscalers, allows it to deploy best-in-class technology solutions at speed and scale.

The advent of new technologies like GenAI and continued digital transformation needs of enterprises offer growth opportunities to the Company.

On a consolidated basis, the Company's revenue from operations for the financial year under review was ₹ 1,09,913 crores as against ₹ 1,01,456 crores for the previous financial year. The profit for the financial year under review was ₹ 15,710 crores, as against ₹ 14,845 crores for the previous financial year.

On a standalone basis, the Company's revenue from operations for the financial year under review was ₹ 48,118 crores as against ₹ 46,276 crores in the previous financial year. The profit for the financial year under review was ₹ 11,674 crores as against ₹ 11,459 crores for the previous financial year.

The state of affairs of the Company is presented as part of the Management Discussion and Analysis Report forming part of the Annual Report for FY 2023-24.

3. DIVIDEND

The Board has paid the following interim dividends during the financial year under review:

S. No.	Dividend Paid during FY 2023-24	Date of Declaration	Rate of Dividend per Share (face value of ₹2 each)	Dividend amount* (₹ in crores)
1	1st Interim Dividend	April 20, 2023	18/-	4,873
2	2nd Interim Dividend	July 12, 2023	10/-	2,707
3	3rd Interim Dividend	October 12, 2023	12/-	3,250
4	4th Interim Dividend	January 12, 2024	12/-	3,250
			Total	**14,080**

Note: *The dividend amount is the gross amount before deduction of tax at source by the Company. Total tax deducted at source was approx. ₹ 1,375 crores.*

The Board declared an interim dividend of ₹ 18/- per share for FY 2024-25 on April 26, 2024 after approval of the financial results for the quarter and financial year ended March 31, 2024.

4. TRANSFER TO RESERVES

The closing balance of the retained earnings of the Company, on a standalone basis, as on March 31, 2024, after all appropriations and adjustments was ₹ 32,783 crores.

For complete details on movement in Reserves and Surplus during the financial year under review, please refer to the Statement of Changes in Equity included in the Standalone and Consolidated financial statements of the Company for FY 2023-24.

5. SHARE CAPITAL

During the financial year under review, the Company has not issued any equity shares. As on March 31, 2024, the Authorised share capital of the Company was ₹6,03,40,00,000/- divided into 3,01,70,00,000 equity shares of face value of ₹2/- each.

The Issued, Subscribed and Paid-up equity share capital of the Company as on March 31, 2024, was ₹5,42,73,30,192/- divided into 2,71,36,65,096 equity shares of face value of ₹2/- each.

6. USD DENOMINATED UNSECURED NOTES ISSUED BY A WHOLLY OWNED SUBSIDIARY

During FY 2020-21, HCL America Inc., a step-down wholly owned subsidiary of the Company, incorporated under the laws of California, USA had issued USD 500 million fixed rate, senior unsecured notes ("Notes") with a maturity date of March 2026 and bearing interest rate of 1.375% per annum. The Notes were unconditionally and irrevocably guaranteed by the Company. The Company's potential liability under the guarantee was capped at USD 525 million which was 105% of principal amount of the Notes.

During FY 2022-23, HCL America Inc. through cash tender offer had bought back its Notes of the principal amount of USD 247.793 million. Post this buy back, the principal amount of Notes that remain outstanding are USD 252.207 million. Accordingly, as on March 31, 2024, the Company's aggregate potential liability for the Notes is USD 264.817 million which is 105% of the total aggregate principal amount of the Notes outstanding.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis Report in terms of Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("Listing Regulations") shall form part of the Annual Report of the Company for FY 2023-24.

8. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on March 31, 2024, the Company has 130 subsidiaries and 6 associate companies within the meaning of Sections 2(87) and 2(6) of the Companies Act, 2013 ("Act"), as amended from time to time, respectively.

A. Incorporation of new subsidiary during the financial year under review

HCL Technologies Holding UK Limited was incorporated under the laws of United Kingdom as a wholly owned subsidiary of the Company.

B. Acquisitions done during the financial year under review

ASAP Holding GmbH

HCL Technologies UK Limited a Company incorporated in UK and a step-down wholly owned subsidiary of the company had acquired 100% stake in ASAP Holding GmbH, a German automotive engineering technology provider in areas such as autonomous driving, e-mobility and connectivity. Pursuant to this acquisition, ASAP Holding GmbH and its 10 subsidiaries have become the step-down wholly owned subsidiaries of the Company with effect from August 31, 2023, being the date of completion of the acquisition.

The names of the aforesaid 10 subsidiaries are provided under note 3.32 to the Consolidated Financial Statements which shall form part of the Annual Report FY 2023-24.

C. Subsidiaries merged / closed during the financial year under review

The Company's endeavour is to achieve organisational efficiency by optimising resources and managing costs for operating in various countries. Accordingly, after taking into consideration the business aspects, local laws and regulations, etc., the Company takes appropriate actions for internal restructuring by integrating businesses amongst subsidiaries so as to reduce the number of entities.

Considering the above, the following step-down wholly owned subsidiaries of the Company were merged / closed:

a) Manzina Tech GmbH (incorporated in Switzerland) was merged with and into Confinale AG (incorporated in Switzerland) on July 4, 2023.

b) Sankalp Semiconductor Sdn. Bhd. (incorporated in Malaysia) was liquidated on October 3, 2023.

c) Brillant Data LLC (incorporated in Virginia , USA) was voluntarily dissolved on February 8, 2024.

d) TeleRX Marketing Inc. (incorporated in Pennsylvania, USA), was merged with and into HCL America Inc. (incorporated in California, USA) on March 15, 2024.

D. Divestment of stake in the Joint Venture (JV) with State Street International Holdings

HCL Investments UK Limited, ("HCL UK") a company incorporated in UK and a wholly owned step-down subsidiary of the Company had a Joint Venture with State Street International Holdings, a US corporation. Pursuant to the Share Purchase Agreement, HCL UK has divested its entire 49% equity stake in the JV, w.e.f. April 1, 2024**.**

E. Financial Statement of the Subsidiaries

In terms of the requirements of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries, associates and joint ventures in Form AOC-1 shall form part of the Annual Report for FY 2023-24.

In accordance with the provisions of Section 136 of the Act and Regulation 46 of the Listing Regulations, the standalone and consolidated financial statements of the Company along with relevant documents for FY 2023-24 shall be available on the website of the Company at https://www.hcltech.com/investor-relations/financial-results. The financial statements in respect of the subsidiaries for FY 2023-24 shall be available at the Company's website at https://www.hcltech.com/investor-relations/subsidiaries-financials.

9. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT

There have been no material changes and commitments, which affect the financial position of the Company, that have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

Details of the composition of the Board, appointments / re-appointments during the financial year under review, director retiring by rotation and details of declaration by Independent Directors have been provided in the Corporate Governance Report.

During the year under review, there were no changes in the Key Managerial Personnel of the Company.

11. NUMBER OF MEETINGS OF THE BOARD

During the financial year under review, four meetings of the Board were held. The details of the meetings are provided in the Corporate Governance Report.

12. BOARD COMMITTEES

The Company has the following Board Committees:

A. Audit Committee

B. Corporate Social Responsibility Committee

C. Nomination and Remuneration Committee

D. Risk Management Committee

E. Stakeholders' Relationship Committee

F. ESG & Diversity Equity Inclusion Committee

G. Finance Committee

Details of the composition of the Committees, their terms of reference, attendance of Directors at meetings of the Committees and other requisite details are provided in the Corporate Governance Report.

13. BOARD EVALUATION

The Annual Performance Evaluation of the Board, its Committees, the Chairperson of the Board and the individual directors was undertaken by the Board / Independent Directors in terms of the provisions of the Act and the Listing Regulations. The evaluation was carried out in terms of the framework and criteria of evaluation as approved by the Nomination and Remuneration Committee of the Company. The process and criteria of evaluation is explained in the Corporate Governance Report.

14. STATUTORY AUDITORS AND STATUTORY AUDIT REPORT

M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration No.101248W/W-100022) the Statutory Auditors of the Company, will hold office till the conclusion of the Thirty Second Annual General Meeting of the Company.

The appointment /re-appointment of Statutory Auditors will be placed for approval of the Shareholders in the ensuing Annual General Meeting, as may be recommended by the Audit Committee and the Board.

There are no qualifications, reservations, adverse remarks or disclaimers made by M/s. B S R & Co. LLP, Statutory Auditors in their Report for FY 2023-24. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company during the financial year under review. The observations made in the Report under Section 143(3) of the Companies Act, 2013 read with Clause (g) of Rule 11 of the Companies (Audit and Auditors) Rules, 2014 are self-explanatory and do not call for any further comments.

15. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act, M/s. Chandrasekaran Associates, Practicing Company Secretaries were appointed as the Secretarial Auditors of the Company for FY 2023-24. The report of the Secretarial Auditor is enclosed as Annexure 1 to this Report. There are no qualifications, reservations, adverse remarks or disclaimer made by the Secretarial Auditor in their report. The Secretarial Auditor has not reported any incident of fraud during the financial year under review.

16. MAINTENANCE OF COST RECORDS

The maintenance of cost records and requirement of cost audit as prescribed by the Central Government under the provisions of Section 148 of the Act are not applicable to the business activities carried out by the Company. Accordingly, such cost accounts and records are not maintained by the Company.

17. ANNUAL RETURN

Pursuant to the provisions of the Sections 92(3) and 134(3)(a) of the Act, the Annual Return of the Company for FY 2023-24 is available on the website of the Company at https://www.hcltech.com/investor-relations/annual-reports

18. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Nomination and Remuneration Committee ("NRC") formulates the criteria for determining the qualifications, positive attributes and independence of directors in terms of its charter. While evaluating the suitability of individual Board members, the NRC considers factors such as educational and professional background, general understanding of the Company's business dynamics, professional standing, personal & professional ethics, integrity & values, willingness to devote sufficient time & energy in carrying out their duties and responsibilities effectively.

The NRC also assesses the independence of directors at the time of their appointment / re-appointment as per the criteria prescribed under the provisions of the Act, the rules made thereunder and the Listing Regulations.

The Remuneration Policy for Directors, Key Managerial Personnel and other employees is provided in the Corporate Governance Report.

19. RISK MANAGEMENT POLICY

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

A detailed section on Risk Management is provided in the Management Discussion and Analysis Report.

20. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's internal financial control systems are commensurate with its size and nature of its operations and such internal financial controls are adequate and are operating effectively. The Company has adopted policies and procedures for ensuring orderly and efficient conduct of the business. These controls have been designed to provide reasonable assurance regarding recording and providing reliable financial and operational information, adherence to the Company's policies, safeguarding of assets from unauthorized use and prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

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, as required under Section 186 of the Act and Schedule V of the Listing Regulations, have been disclosed in the financial statements for FY 2023-24.

23. TRANSACTIONS WITH RELATED PARTIES

The particulars of transactions entered into with the related parties referred to in Section 188(1) and applicable rules of the Act, have been given in Annexure 2 to this Report in Form AOC-2. The Company has in place a 'Related Party Transaction Policy', which is available on the website of the Company at https://www.hcltech.com/corporate/related-party-transaction-policy.

24. CORPORATE SOCIAL RESPONSIBILITY

The Company contributes progressively to the socio-economic and environmental advancement of the planet with 'Corporate Social Responsibility' ("CSR") at the very core of its existence. To meet its goals, the Company drives its corporate social responsibility agenda through its CSR arm, HCL Foundation, a public charitable trust.

The CSR Committee of the Company is *inter-alia* responsible for formulating, recommending and monitoring the CSR Policy of the Company which contains the approach and direction given by the Board, and, includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

The composition of the CSR Committee, and other details including a brief outline of the CSR Policy of the Company, the amount that the Company was required to spent in terms of the provisions of the Act, and the amount that was actually spent during the financial year under review are set out in Annexure -3 to this Report in the format as prescribed under the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The CSR projects, as approved by the Board for FY 2024-25 are available on the website of the Company at https://www.hcltech.com/investor-relations/corporate-social-responsibility

25. DIVIDEND DISTRIBUTION POLICY

Your Company's wealth distribution philosophy aims at sharing its prosperity with its shareholders, through a formal earmarking / disbursement of profits to its shareholders. In accordance with Regulation 43A of the Listing Regulations, the Company has formulated and adopted a Dividend Distribution Policy which provides for the circumstances under which the members may / may not expect dividend, the financial parameters, internal and external factors, utilization of retained earnings, etc. The Dividend Distribution Policy is available on the website of the Company at https://www.hcltech.com/corporate/dividend-distribution-policy

26. UNCLAIMED DIVIDEND AND TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 of the Act, the dividend amounts which have remained unpaid or unclaimed for a period of seven years from the date of transfer to unpaid dividend account 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 the unpaid / unclaimed dividend amount which will be transferred to the IEPF in the subsequent years are given in the Corporate Governance Report. Further, according to the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the shares in respect of which dividend have not been paid or claimed by the members for seven consecutive years or more are also required to be transferred to the demat account created by the IEPF Authority. Accordingly, during the financial year under review, the Company has transferred 15,239 equity shares to the demat account of the IEPF Authority. The details of such shares are available on the website of the Company at https://www.hcltech.com/investor-relations/iepf

27. DEPOSITS

The Company neither has any outstanding deposits nor it has accepted any deposits from the public during the financial year under review.

28. PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There are no proceedings initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016.

29. VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT

There were no instances of one-time settlement with the Banks or Financial Institutions.

30. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report in terms of Regulation 34(3) of the Listing Regulations, along with the Statutory Auditors' certificate shall form part of the Annual Report for FY 2023-24.

31. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report in terms of Regulation 34(2) of the Listing Regulations shall form part of Annual Report for FY 2023-24.

32. INSIDER TRADING REGULATIONS

Pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time), the Company has adopted a Code of Conduct on Prohibition of Insider Trading ("Insider Trading Code") and a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code"). The Fair Disclosure Code is available on the website of the Company at https://www.hcltech.com/corporate/fair-disclosure-code

33. AWARDS AND RECOGNITIONS

Your Company relentlessly pursues excellence and is delighted to receive phenomenal share of recognitions and awards from analysts, governing bodies, academic institutions, partners and even customers. The details of few Awards & Recognitions are provided below:

- HCLTech recognized by Ethisphere as one of the World's Most Ethical Companies 2024.
- Emerged as the fastest-growing IT services brand with a 15.9% YoY growth in brand value among the top 10 IT companies globally, as per the 2024 Brand Finance Global 500 and IT Services Top 25 Report.
- Rated A- by global environment non-profit Carbon Disclosure Project ("CDP") for climate change initiatives.
- HCLTech certified as Top Employer in 26 countries, with No. 1 ranking in 15 countries. Also received regional Top Employer certification in three key geographies of its operations: Top Employer North America 2024 (ranked No. 1), Top Employer Asia Pacific 2024 (ranked No. 1) and Top Employer Europe 2024 (ranked No. 2).
- HCLTech won the National Water Award for significant efforts in holistic water conservation and management in India.
- Included in the S&P Global Sustainability Yearbook 2024 for the second year in a row.
- Highest ranked India-headquartered IT company in the Forbes Best Employers List 2023.
- Ranked seventh globally in the Professional Services category.

A detailed section on Awards & Recognitions received by the Company during the financial year is provided in the Corporate Overview which forms part of the Annual Report for FY 2023-24.

34. SUSTAINABILITY

"Supercharging progress, sustainably and responsibly" conveys the Company's commitment to driving rapid and meaningful long term sustainable growth, while adopting a responsible and mindful approach in an accountable and transparent way. As the Company pursued its commitment, efforts have been made towards ambitious goals, including reaching net-zero emissions by the end of 2040.

The Company's initiatives recognized for consistently demonstrating sustainability are as under:

- 25% reduction in scope 1 and 2 emissions compared to base year 2020.
- 19.02% of renewable energy across global operations.
- The Company has impacted over 6.5 million lives with 54% female beneficiaries through its CSR arm, the HCL Foundation, and helped over 13,500 Persons with Disability.
- Planted over 2.04 million saplings, developed 243 water structures, rejuvenated 150 water bodies and recharged 32 times more water than it uses.
- More than 15,704 hours of training completed by employees at Company's Sustainability School.

Following leading ESG rating agencies have recognized the Company as a leader in consideration of its commitments and progress.

- MSCI ESG assessment conferred "AA" rating to HCLTech for second consecutive year.
- Recognized as Leader (A category) by CDP.
- Included in the S&P Global Sustainability Yearbook 2024.
- EcoVadis rated HCLTech 'Gold' for HCLTech's advanced sustainability performance.

35. ORGANIZATION EFFECTIVENESS

A. Human Resources

In the continuing mission of the Company to expand and enrich its employee-centric culture, HCLTech has long understood this fundamental truth: its people are the key to its progress. Through a culture of innovation and "Ideapreneurship", the Company empower its people to lead value-driven ideas in an inclusive and flexible work environment.

The people strategy is focused on building the skills and capabilities that the industry needs, attracting and retaining the right talent across the globe, and creating a supportive culture for them to do their best work.

B. Employee Strength and Expansion

The global team of the Company is its biggest strength and enables the Company to deliver differentiated service experience to its clients. The Company has attained an impressive employee strength of 2,27,481 with net addition of 1,537 in FY 2023-24. IT services voluntary attrition rate fell from 19.5% in FY 2022-23 to 12.42% in FY 2023-24. The Company has a nearshore presence in 20 countries, where over 90% employees are locally hired. The Company plans to scale up in these areas in next few years.

With a presence in 60 countries and team members from 160 nationalities, the Company is rapidly growing in longstanding locations like India and, more recently, in Eastern Europe and Central America.

HCLTech has been a part of the United States' growth and technological advancement since the Company commenced operations with its first office in the heart of Silicon Valley. HCLTech localization in US stands at 74.4%.

C. Talent Acquisition

HCLTech takes a hands-on approach to recruiting, seeking to directly engage and hire employees rather than use placement agencies. About 84% of the hiring today is direct, which keeps the Company connected with the talent pool.

Hiring freshers is a big component of the Company's talent strategy. 12,141 freshers were during the FY 2023-24.

HCLTech has doubled entry-level hiring in the last three fiscal years. The Company's- TechBee program seeks to recruit highly talented Class 12 graduates and its career development framework ensures that entry-level hires are adequately trained, provided opportunities to work on new challenges and recognized for their contributions, while also enabling them to pursue higher education. The Company programs to attract and recruit Gen Z talent are a crucial part of Companies' strategy and have given a head start as a leading employer for this generation. Gen Z employees represent 27% the workforce today.

D. Talent Development

The employee value proposition, 'Find your Spark,' is built on four tenets – 1) Providing flexible and diverse career opportunities, 2) Offering enriching job experiences, 3) Creating trusted employment and environment and 4) Embracing employee's whole self with an idea-driven and socially responsible culture.

HCLTech's innovative approaches to training, reskilling and upskilling ensures that its employees are future ready. 1,63,943 employees availed 7.5 million hours of training for enhancing their current skills and learning new skills. 80,780 employees were also trained in digital skills during this period.

Employees can upskill with **Aspire**, a first-ever digital learning platform at HCLTech. Aspire provides digital knowledge to all employees so that they become more aware of what future tech looks like. Employees can choose from Artificial Intelligence, Machine Learning, Cloud, Data Analytics/Automation each course is thoughtfully structured to help them navigate their learning journey.

E. Diversity, Equity and Inclusion ("DE&I")

HCLTech is committed to building a diverse workforce across multiple dimensions in a verifiable and measurable manner. Gender diversity stands at 29.1% as of March 2024.

HCLTech's Chief Executive Officer & Managing Director ("CEO & Managing Director") has one of the primary functions of managing the Company's DE&I initiatives. To affirm, guide and support the commitment of the Company towards ESG and to drive gender diversity, the Company has in place a Committee of the Board named as ESG & Diversity Equity Inclusion Committee.

The Diversity, Equity and Inclusion Centre of Excellence has established an inspiring and transformational learning program for all employees, Inclusion at Scale, to educate people on various aspects of inclusion via short video modules. Inclusion at Scale training aims to foster an inclusive culture through ongoing education, awareness, and application. It aids in the development of a common language of inclusion across teams and organizations globally.

The Company provides the following learning and development programs for women:

a) **Feminspiration** – It is a platform where women leaders from the Company's- client company are invited to address HCLTechies.

b) **iMotivate** – It aims to motivate women HCLTechies by connecting them with the Company's women leader/s via a formal session and enable them to understand how to manage their priorities and develop necessary leadership and networking capabilities to stay successful in their careers.

c) **Women Connect** – A network of women employees advocating a gender-neutral work environment. This group coaches and counsels aspiring young women professionals, shares experiences on work / life priorities and includes life coach support, day-care in office premises, concierge services, and policies such as extended maternity leave, work from home, flexible careers, flexible work hours and other women related issues.

d) **ASCEND** – It is an initiative, which focuses on career progression of women leaders in functional roles and help them achieve their aspired roles. The key outline of the program includes Mentoring & Coaching by senior leaders of the Company to program participants.

e) **STEPPING STONES** – It is a global program which aims to pace up the growth of mid-level women managers in the leadership positions. The program is designed for midlevel managers to fuel their leadership capabilities.

f) **Prelude** – It is a focused program for E4+ women leaders. The objective is to mentor them for their next level roles to create a ready pool of women leaders for the existing open positions.

g) **Momtastic** – An initiative launched to help all young mothers and to be mothers to have a smooth transition and ease the dilemmas and decision-making process, when they come back to work post their maternity leave that includes fully paid leaves as per the law of land and 5 days of fully paid leaves for the secondary caregiver. Support is extended to women in three different phases: Pre-natal, pre-conceptual support, support for returning mothers.

h) HCLTech's Second Career Return Program is an opportunity provided through returnship program – HCLTech's Career Program for Women. Through this program, women from diverse backgrounds are trained and hired for entry level jobs.

F. **Employee Resource Groups ("ERG")**

a) **Pride@HCLTech**: It shares unique insights from gay, lesbian, bisexual, transgender, and allied communities, helping to contribute to an inclusive workplace environment that welcomes and values differences. Through increasing LGBTQIA+ awareness and education, Pride@HCLTech, members vision is to make the world a safer place. The goal of LGBTQIA+ Inclusion is to create an environment that is welcoming, safe, and supportive for all employees who identify as lesbian, gay, bisexual, transgender, or queer as well as their allies.

b) **Ability Connect Network** is a community for those who have a disability, support a colleague with a disability, and any employee who wants to help raise awareness and champion support for impacted individuals.

c) **Women Connect Network**: The ERG is committed to retain and increase the visibility and contributions of the Company's women and attracting top female talent.

d) **Multicultural Employee Resource Group (MERG):** Cultural Inclusion at HCLTech is a belief that ensures all individuals are respected irrespective of their backgrounds, cultures, nationalities, their ways of working and their lifestyles. The network provides an employee forum for improvement and enhancement of the professional development of its membership and promotes cultural awareness both within and outside of the Company through education about Indigenous cultures. There are 3 chapters in MERG:

- **Black Employee Resource Group (BERG)** and their allies would act as a strategic business partner, providing business solutions, promoting the enhancement of HCLTech's black employees. It will enable black employees to reach their full potential through advocacy of an inclusive work environment that would improve their knowledge, skills and capabilities.

- **Latino Employees and Allies Resource Network (LEARN)** ERG members would be committed to the representation, advancement, and inclusion of Latino employees and their allies worldwide. LEARN would host events throughout the year to foster a sense of 'familia' by educating HCLTechies about Latino culture and empower growth and volunteer opportunities in the Latino community.

- **The Asian Network** and their allies would promote professional development and community outreach for the Asian community at HCLTech. Asian Network would hold many events throughout the year to celebrate events like Lunar New Year, Asian American and Pacific Islander Heritage Month, and Autumn Moon Festival.

e) **Single Parent Network**: It is a voluntary, employee-led group of active single parent HCLTechies who contribute both by improving social and emotional wellbeing for other single parents and their families and being the catalysts to improve inclusion in the workplace.

G. **Gender Inclusion** As a Company we believe that gender diversity will increasingly be a driving force of competitive businesses, now and into the future. The significance of gender diversity for HCLTech business & growth is evident from the high focus it derives from the Company's stakeholders and the Board. Gender parity and inclusion at all levels of hierarchy is HCLTech's top priority, with a special focus given to increasing the representation of women leaders at key leadership positions.

H. **Disability Inclusion** It focuses on successful integration of people with disabilities into the workforce by providing them an inclusive and accessible work environment. The Company's inclusion is a business imperative for sustainable growth. The Company believes that every individual brings in unique value and skills to workplace. Thus, the organization's Person with Disability ("PwD") charter was drawn up to focus on successful integration of people with disabilities into the workforce by providing them an inclusive and accessible work environment. The charter emphasizes in fostering PwD inclusion through its 4 tenets of Employ, Enable, Engage and Empower.

36. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, 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 the Company are set out in Annexure 4 to this Report.

37. 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 Section 134(3)(c) of the Act, is annexed as Annexure 5 to this Report.

38. EMPLOYEE STOCK OPTIONS PLANS

A. HCL Technologies Limited - Restricted Stock Unit Plan 2021 ("RSU Plan 2021")

The Company has adopted and implemented the RSU Plan 2021 for granting Restricted Stock units ("RSUs") as per the approvals obtained from the shareholders of the Company on November 28, 2021.

In terms of the RSU Plan 2021, a maximum of 1,11,00,000 (One crore eleven lakhs) RSUs in one or more tranches may be granted, which on exercise would entitle not more than 1,11,00,000 (One crore eleven lakhs) equity shares of ₹2/- each (approximately 0.41% of the paid-up equity share capital as on March 31, 2021), with each such RSU conferring a right to apply for one equity share of the Company against each RSU granted & vested. As on date of this Report, the Company has utilized approx. 94% of total RSUs that were available under the RSU Plan 2021.

The RSU Plan 2021 has been implemented through a trust mechanism by way of secondary acquisition of equity shares of the Company by the Trust for transferring the same on exercise of the vested RSUs. Accordingly, no fresh shares are issued or will be issued by the Company either to the Trust or the RSUs grantees.

The RSU Plan 2021 is in compliance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended from time to time and there have been no changes in the said plan during the financial year under review.

The details of the RSU Plan 2021 including requirements specified under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on the Company's website at https://www.hcltech.com/investors/results-reports.

B. HCL Technologies Limited - Restricted Stock Unit Plan 2024 (RSU Plan 2024)

The Board at its meeting held on April 25-26, 2024, has approved the RSU Plan 2024 for grant of RSUs to the eligible Employees and Directors of the Company and its subsidiaries & associates. The said Plan is proposed to be implemented to continue with the Company's existing Long-Term Incentive ("LTI") Plan wherein part of the LTI is given by way of the RSUs.

The RSU Plan 2024 is in accordance with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. The adoption and the implementation of the RSU Plan 2024 will be subject to the approval of the shareholders of the Company that would be taken in due course.

39. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has formulated and published a Whistleblower Policy to provide vigil mechanism for employees, directors and other stakeholders of the Company to report genuine concerns (including reporting of instances of leakage of unpublished price sensitive information) 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 the Listing Regulations and the said Policy is available on the website of the Company at https://www.hcltech.com/corporate/whistleblower-policy. The details of the Whistleblower Policy are provided in the Corporate Governance Report.

40. OBSERVANCE OF THE SECRETARIAL STANDARDS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

The Company complies with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

41. 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 Workplace Policy in line with the requirements of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company has constituted an Internal Complaints Committee for the redressal of all sexual harassment complaints. These matters are also being reported to the Audit Committee. The details of the Policy have been stated in the Corporate Governance Report and the complaints and the mechanism to prevent adverse consequences are provided in the Business Responsibility and Sustainability Report.

42. 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 remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24:

S. No.	Name of the Director	Ratio to median remuneration of employees
Executive Director		
1	Mr. C. Vijayakumar, CEO & Managing Director	707.46
Non-Executive Director		
2	Ms. Bhavani Balasubramanian	-
3	Mr. Deepak Kapoor	7.51
4	Mr. S. Madhavan	9.29
5	Dr. Mohan Chellappa	9.85
6	Ms. Nishi Vasudeva	7.51
7	Ms. Robin Ann Abrams	12.16
8	Ms. Roshni Nadar Malhotra	7.98
9	Dr. Sosale Shankara Sastry	9.20
10	Mr. Shikhar Malhotra	6.93
11	Mr. R. Srinivasan	11.19
12	Mr. Simon John England	10.99
13	Mr. Thomas Sieber	11.91
14	Ms. Vanitha Narayanan	11.05

Notes:

i. The remuneration of Non-Executive Directors comprises of sitting fees and commission paid / payable for FY 2023-24.

ii. Ms. Bhavani Balasubramanian was appointed as a Non-Executive Independent director of the Company w.e.f. January 12, 2024. Hence, information of her remuneration is incomparable and has not been provided.

iii. Mr. C. Vijayakumar, CEO & Managing Director is based in USA and draws remuneration from HCL America Inc., a wholly owned step-down subsidiary of the Company in USA.

iv. While calculating the above ratio, the median remuneration of employees has been taken on global basis.

B. The percentage increase / decrease in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year 2023-24:

i. Percentage increase / (decrease) in Remuneration of Non-Executive Directors

S. No.	Name of the Director	% Increase / (Decrease) in Remuneration in the financial year
1	Ms. Roshni Nadar Malhotra	(9)
2	Ms. Bhavani Balasubramanian	-*
3	Mr. Deepak Kapoor	-
4	Mr. S. Madhavan	-
5	Dr. Mohan Chellappa	(6)
6	Ms. Nishi Vasudeva	-
7	Ms. Robin Ann Abrams	1
8	Dr. Sosale Shankara Sastry	1
9	Mr. Shikhar Malhotra	-
10	Mr. R. Srinivasan	-
11	Mr. Simon John England	8
12	Mr. Thomas Sieber	28
13	Ms. Vanitha Narayanan	17

***Note: ****Ms. Bhavani Balasubramanian was appointed as a Non-Executive Independent Director during FY 2023-24. Hence, information of her remuneration is incomparable and has not been provided.*

ii. Percentage increase / decrease in remuneration of Executive Director and Key Managerial Personnel

S. No.	Name of Key Managerial Personnel	Designation	% Increase /(Decrease) in Remuneration in the financial year after considering the Long Term Incentive ("LTI") payment & perquisite value of RSUs exercised	% Increase /(Decrease) in Remuneration in the financial year without considering the LTI payment & perquisite value of RSUs exercised
1.	Mr. C. Vijayakumar*	CEO & Managing Director	190.74%	(9.20%)
2.	Mr. Prateek Aggarwal	Chief Financial Officer	0.64%	(0.52%)
3.	Mr. Manish Anand	Company Secretary	4.86%	6.68%

Note: *

i. Mr. C. Vijayakumar was appointed as the Managing Director of the Company w.e.f. July 20, 2021, with the designation as 'CEO & Managing Director'. There has been no change in the overall remuneration of Mr. C. Vijayakumar, as approved by the shareholders, since his appointment.

ii. During FY 2023-24, he did not receive any remuneration from the Company, however, he received remuneration including cash component of LTI from HCL America Inc., a step-down wholly owned subsidiary of the Company. He received USD 2.36 million as the cash component of the LTI. The perquisite value of the performance based RSUs exercised by him during FY 2023-24 was USD 4.56 million.

iii. The performance-linked bonus of USD 1.14 million paid in FY 2023-24 was related to performance for the previous financial year FY 2022-23.

C. The percentage increase in the median remuneration of employees in the financial year: 7.07%

D. The number of permanent employees on the rolls of Company: There were 1,19,035 permanent employees on the rolls of the Company. In addition, the Company had 1,08,446 number of employees on the rolls of its subsidiaries.

E. 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 percentage increase made in the salaries of employees other than the managerial personnel in the last financial year was

3.37%. The remuneration paid to the CEO & MD is within the limits approved by the shareholders, the percentage change in remuneration have been stated in Para 42 of this report and the details of the remuneration have been provided in the Para 19 of the Corporate Governance Report which shall form part of the Annual Report FY 2023-24.

F. The Company affirms that the remuneration is as per the Remuneration Policy of the Company.

G. Variable Pay Compensation: The variable compensation of executive officers, including the CEO and Managing Director, is based on clearly laid out performance criteria and measures. The variable compensation is paid in the form of Annual Performance linked Bonus, Long-Term Incentive ("LTI") and Restricted Stock Units (based on Performance or Tenure). The parameters for variable compensation include achieving targets related to Revenues, EBIT, Net profit, Free cashflow, Total Shareholder Return, personal KPPs, strategic goals and other metrices such as client satisfaction, ESG, Diversity, etc.

43. STATEMENT OF EMPLOYEES PURSUANT TO RULE 5(2) AND 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

In terms of Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a separate exhibit forming part of this report contains the following:

A. the list of top ten employees of the Company in terms of the remuneration drawn in FY 2023-24;

B. a statement containing the names of the employees employed throughout the financial year and in receipt of remuneration of ₹ 1.02 crores or more per annum; and

C. a statement containing the names of the employees employed for part of the year and in receipt of remuneration of ₹ 8.50 lacs or more per month.

This exhibit is available on the website of the Company at https://www.hcltech.com/investor-relations/annual-reports The Annual Report is being sent to the shareholders excluding the aforesaid exhibit. Shareholders interested in obtaining this information may access the same from the Company's website.

44. LARGE CORPORATES

As per Regulation 50B of the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, read with Chapter XII of the Master Circular number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021 on 'Fund raising by issuance of debt securities by large corporates', as amended ("LC Regulations"), the Company was a Large Corporate ("LC") as on March 31, 2021, March 31, 2022 and March 31, 2023 as its outstanding long term borrowings were more than ₹ 100 crores on the said dates. Accordingly, in terms of the LC Regulations, for any incremental borrowings made by the Company during FY22, FY23 & FY24, a minimum of 25% of such incremental borrowings were required to be raised through issuance of debt securities, which were to be raised either in the same financial year and / or in the subsequent two financial years.

The details of incremental borrowings made by the Company during FY22, FY23 & FY24 and the obligations to borrow through issuance of debt securities are provided as below:

(₹ in crores)

Particulars	FY22	FY23	FY24
Incremental borrowings made during the financial year (a)	24.95	35.48	6
Mandatory borrowing that was required through issuance of debt securities {25% of (a)}	6.23	8.87	1.50

SEBI vide its circular number SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated October 19, 2023 ("SEBI Circular") has revised the criteria for considering a listed entity as a LC which now provides that the outstanding long-term borrowings of the companies as on March 31, 2024, should not be less than ₹1,000 crores. As per the said revised criteria, the Company would not fall in the category of LC for FY25.

Further, the SEBI Circular requires that the companies that were identified as LC based on the erstwhile criteria, shall endeavor to comply with the requirement of raising 25% of their incremental borrowings done during FY22, FY23 & FY24, by way of issuance of debt securities till FY ended March 31, 2024. In case the companies have not issued debt securities, a one-time explanation should be provided in the Annual Report.

In this regard, it is hereby clarified that that the borrowings done by the Company were mainly on account of the Company's car loan policy to facilitate its employees. From the above table, it will be observed that the amount required to be borrowed by issuance of debt securities is so miniscule that it would not have been feasible to issue debt securities for such small amount. Further, considering the funds & cash flow position of the Company, there was no requirement to borrow during these years except to meet the aforesaid regulatory requirements, for which the Company had approached the Stock Exchanges for a waiver / guidance due to the circumstances as stated above. As the said SEBI Circular requires to the companies to comply or explain, the Company has chosen to explain its position for not issuing the debt securities.

45. ACKNOWLEDGEMENTS

The Board wishes to place on record its appreciation of the significant contributions made by the employees of the Company, its subsidiaries and associate companies. The Company has achieved impressive growth through competence, hard work, solidarity, co-operation and support of employees at all levels. The Board wishes to thank the customers, vendors, other business associates and investors for their continued support in the Company's growth and also wishes to thank the government authorities, banks and other regulatory bodies for their co-operation and assistance extended to the Company.

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

Place: Noida (U.P.), India
Date: April 26, 2024

Roshni Nadar Malhotra
Chairperson
DIN: 02346621

Annexure 1 to the Directors' Report

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance 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 March 31, 2024 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 March 31, 2024 according to the provisions of:

(i) The Companies Act, 2013 ('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 76 of SEBI (Depositories and Participants) Regulations, 2018;

(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 to the extent applicable;

  (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, 2018 to the extent applicable;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

  (e) The Securities and Exchange Board of India (Issue and Listing of convertible Securities) Regulations, 2021; **Not Applicable during the period under review.**

  (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, 2021; **Not Applicable during the period under review;**

  (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not Applicable during the period under review.**

(vi) The other laws, as informed and certified by the Management of the Company which are specifically applicable to the Company based on the Sectors/ Industry are:

  (a) The Special Economic Zone Act, 2005;

  (b) Policy relating to Software Technology Parks of India and its regulations;

  (c) The Indian Copyright Act, 1957;

  (d) The Patents Act, 1970;

  (e) The Trade Marks Act, 1999;

  (f) The Indian Telegraph Act, 1885;

  (g) The Indian Wireless Telegraphy Act, 1933;

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent applicable.

During the period under review the Company has 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, 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 at least seven days in advance except in cases where meetings were convened at a shorter notice, 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 no major events have happened, which are deemed to have major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For **Chandrasekaran Associates**
Company Secretaries
Firm Registration No.: P1988DE002500
Peer Review Certificate No.: 4186/2023

Dr. S. Chandrasekaran
Senior Partner
Membership No. F1644
CP No. 715
UDIN: F001644F000219873

Date: April 26, 2024
Place: Delhi

Note:

i. This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.

Annexure-A

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

Our Report of even date is to be read along with this letter.

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. Wherever 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 are the responsibility of management. Our examination was limited to the verification of procedures on 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.

For **Chandrasekaran Associates**
Company Secretaries
Firm Registration No.: P1988DE002500
Peer Review Certificate No.: 4186/2023

Dr. S. Chandrasekaran
Senior Partner
Membership No. FCS1644
Certificate of Practice No. 715
UDIN: F001644F000219873

Date: April 26, 2024
Place: Delhi

Annexure 2 to the Directors' Report

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013
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 ended March 31, 2024, HCL Technologies Limited ('HCLTech') 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:

During the financial year ended March 31, 2024, the material transactions in terms of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 were undertaken with the following step-down wholly owned subsidiaries, being the related parties:

S. No.	Name of the wholly owned step-down subsidiary	Place of Incorporation	Amount of transaction (₹ in crores)
1	HCL Technologies Corporate Services Limited	UK	15,495.31
2	HCL America Inc.	USA	3,453.84
3	HCL Technologies UK Limited	UK	3,042.26
4	HCL Software Products Limited	India	2,120.29
5	HCL Technologies Germany GmbH	Germany	1,496.56

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:

- HCL Technologies Limited to provide IT / ITES services to the existing and new clients of the above-mentioned step-down wholly owned subsidiaries including various support and general administrative services as may be required from time to time;
- The above-mentioned step-down wholly owned subsidiaries shall respectively provide IT / ITES services including sales and marketing support services to HCL Technologies Limited;
- The respective parties shall diligently perform their respective obligations under the contracts in a timely manner and provide services in accordance with the work order issued by the customer;
- The respective 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;
- The respective parties shall be responsible for all the expenses incurred in connection with providing its services; and
- The parties shall comply with the local, state and federal laws and regulations applicable while providing services.
- The value of the transaction with each of the related parties is given in a) above.

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 of
HCL Technologies Limited

Roshni Nadar Malhotra
Chairperson
DIN: 02346621

Place: Noida (U.P.), India
Date: April 26, 2024

Annexure 3 to the Directors' Report

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES

1. A brief outline of the Company's CSR policy

The objective of the CSR policy (the "Policy") of the Company is to lay down the guiding principles for selection, implementation, monitoring, and evaluation of CSR activities as well as formulation of the Annual Action Plan, for ensuring growth and advancement of society and conservation of natural resources. To meet its goals, the Company drives its Corporate Social Responsibility agenda through its CSR arm, HCL Foundation, a Public Charitable Trust registered with the Ministry of Corporate Affairs as required under the Companies Act, 2013 and Rules made thereunder, and also registered under Sections 12A and 80G of the Income Tax Act, 1961.

HCL Foundation has been set up to take up projects and programmes as part of its CSR mandate which are aligned to the Sustainable Development Goals. The CSR activities, projects and programmes undertaken by the Company shall be those as approved by the Board of Directors on the recommendation of the CSR Committee and are covered under the areas set out in Schedule VII of the Companies Act, 2013. All CSR initiatives are inclusive, gender transformative, with special attention to the ultra-poor, people with disabilities and environment conservation.

The key CSR streams are early Childhood Care & Development, Health, Education, Skill Development & Livelihood, Water, Sanitation & Hygiene, Environment, Disaster Risk Reduction & Response and Gender & Inclusion.

2. The composition of the CSR Committee as on March 31, 2024

S. No.	Name of Directors	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Roshni Nadar Malhotra	Chairperson Non-Executive Non-Independent Director	2	2
2	Mr. S. Madhavan	Member Independent Director	2	2
3	Dr. Mohan Chellappa	Member Independent Director	2	2

3. The web-link where Composition of CSR Committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the Company

https://www.hcltech.com/investor-relations/corporate-social-responsibility

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014

During the year under review an independent Impact Assessment was undertaken for three projects, the details of the same are given hereunder.

a) Running of Medical Isolation Centres and Community Awareness Campaign

The surge in COVID19 cases have stressed the health system and identifying the critical need to control the spread, HCL Foundation supported - 'Running of Medical Isolation Centres and Community Awareness Campaign' implemented by Doctors for You ("DFY") across Delhi, Mumbai and Vijayawada. The primary objective of the project was to strengthen health system through infrastructural support (Critical Care Equipment and Isolation and Treatment Centres), training of healthcare staff and community awareness.

With a view to tracing and testing, motivating the community to come up for testing, Mobile Medical Units ("MMUs") were deployed to provide free testing services. These services were provided to persons of the vulnerable and marginalised sections of the society in Vijayawada and Mumbai. The MMUs staff also interacted with the people on a regular basis to address testing hesitancy among people and provided information on COVID 19 related issues. Community awareness campaigns were conducted with a view to promoting adoption of COVID 19 appropriate behaviour by educating on personal hygiene and cleanliness like washing hands properly, wearing masks, social distancing, self-isolation, etc. and making it a part of daily routine. Hygiene kits were also distributed as part of the campaign.

The impact assessment report shows that over 18,000 patients were treated, 1,662 health care staff was trained, 27,810 community members were screened through MMUs, and a total of 18,252 reached through community awareness campaign. The training of 982 healthcare professionals and 680 hygiene technicians led to an enhanced staff efficiency and smooth facility management and a sense of confidence among healthcare workers to work without fear of COVID 19, ultimately resulting in quality treatment. The project support was extended to include provision of consumables viz. PPE kits, medicines, gloves, masks etc. for not only COVID 19 care centres but later to vaccination centres as well.

b) Installation of Oxygen generation plant at Central India Institute of Medical Science, Nagpur

The project - 'Installation of Oxygen generation plant' at Central India Institute of Medical Science ("CIIMS") Nagpur was envisaged with an aim to provide support in setting up an oxygen plant at CIIMS as per need. The project was taken up during FY 2021-22.

Before the project, the hospital procured oxygen cylinders to provide oxygen to the patients. Lack of availability of funds had been hindering the plans to install oxygen plant.

The installed plant with a capacity to generate 704 litres of oxygen per hour helped in providing oxygen support to all 110 oxygen dependent patients (during the project duration) simultaneously. It was informed that the oxygen plant support helped in better emergency preparedness for the subsequent COVID 19 pandemic wave. The project intervention led to increase in capacity of the hospital to treat and accommodate a greater number of patients and ensured timely medical treatment, providing uninterrupted and reliable supply of oxygen. The patients were able to access good quality and free of cost treatment which was difficult especially for low- and middle-income group people during the times of COVID 19 pandemic. The project intervention was able to provide high-cost intensive treatment to all sections of society thus saving people from financial distress.

As per the data shared by CIIMS, a total of 1,061 beneficiaries were benefited through the oxygen plant during the project period whereas post the project completion, from January 2022 to January 2024, total 50,666 patients have been benefited. The support ensured that no critical care patient was bereft of treatment requiring oxygen support. It was acknowledged that in the absence of the HCL Foundation's support, procedure like providing oxygen to a patient would have been delayed due to long waiting time.

The project benefit has been well extended to the present times and is catering to the needs of the neurological patients who require continuous and prolonged oxygen supply. CIIMS hospital is reportedly under expansion leading to an increase in the number of beds from current 110 to around 140 beds (by September 2024). The project support would also serve the additional oxygen demand. Training provided to the CIIMS staff for the maintenance & operations has led to availability of in-house trained staff for smooth operations of the oxygen plant on day-to-day basis.

c) Health in Emergencies by implementing Agency – Doctors For You

HCL Foundation continued its efforts in the fight against COVID 19 during financial year 2021-22 under 'Health in Emergencies' project which was taken up in continuation to the efforts initiated in the year 2020-21 for fighting the COVID 19 pandemic in the form of the project 'Running of Medical centers and community awareness campaign'. The project was taken up during the financial year 2021-22 and was implemented by Doctors for You ("DFY"). This project was implemented in 9 different locations in India for strengthening the health systems, providing infrastructural support (Oxygen plant, Isolation and Treatment Centres), training of healthcare staff, and support to COVID 19 vaccination program.

The above-mentioned activities that were taken up under the project were able to help people access quality treatment. 61,531 patients got benefitted through the isolation and treatment facilities created under the project. The treatment support was free of cost, irrespective of the socio-economic background of the patient. The support proved to be helpful to people who would not have otherwise been able to afford quality treatment. Also, without such support the situation would have created financial distress for a lot of families during the times when the livelihoods of the people were affected by lockdowns and COVID 19 related restrictions. Similarly, the oxygen plant ensured a continuous and sufficient supply of oxygen to various hospitals and COVID isolation centres.

The government authorities reported that the patients' feedback on the quality of service and treatment provided was satisfactory. The facilities created had 24 x 7 monitoring and supervision facility for all the patients. The PPE kits distributed were of good quality which boosted the confidence of the medical staff in carrying out their duties effectively. There was zero mortality in the COVID isolation Centre and hospitals established and supported under the project. As informed, a total of 7,06,305 people were vaccinated till March 31, 2022 under this project. Under the support to COVID 19 vaccination programme, the project team was continuously engaged in creating awareness among people around COVID 19 vaccine, managing vaccination data, follow-up call for second doses providing the required support to the vaccination process.

The detailed report on impact assessment report carried out by an independent agency are available on the website of the Company at https://www.hcltech.com/investors/corporate-social-responsibility-hcl.

			(₹/ crores)
5.	a)	**Average net profit of the Company as per Section 135(5)**	13,034
	b)	**Two percent of average net profit of the Company as per Section 135(5)**	261
	c)	**Surplus arising out of the CSR projects or programmes or activities of the previous financial years**	NIL
	d)	**Amount required to be set off for the financial year, if any**	NIL
	e)	**Total CSR obligation for the financial year [(b)+(c)-(d)]**	261

(₹/ crores)

6. a) **Amount spent on CSR Projects (both ongoing project and other than ongoing project)** 260.16
   b) **Amount spent in Administrative Overheads** 1.05
   c) **Amount spent on Impact Assessment, if applicable** NIL
   d) **Total amount spent for the financial year [(a)+(b)+(c)]** 261.21
   e) **CSR amount spent or unspent for the financial year:**

Total amount spent for the financial year (in ₹/crores)	Amount unspent (in ₹/crores)				
	Total amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
261.21	NIL				

f) **Excess amount for set-off, if any**

S. No.	Particulars	Amount (in ₹ / crores)
(i)	Two percent of average net profit of the Company as per Section 135(5)	261.00
(ii)	Total amount spent for the financial year	261.21
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.21
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.21*

*This excess spending is on account of interest earned on CSR Funds during FY 2023-24 and therefore would not be set off in the succeeding financial years.

7. **Details of unspent Corporate Social Responsibility amount for the preceding three financial years**

S. No.	Preceding Financial Year	Amount transferred to unspent CSR account under Section 135(6) (in ₹)	Balance amount in Unspent CSR Account under Section 135(6) (in ₹)	Amount spent in the financial year (in ₹)	Amount transferred to a fund specified under Schedule VII as per second proviso to Section 135(5), if any		Amount remaining to be spent in succeeding financial years (in ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer		
NA								

8. **Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year**

No.

The Company has not directly created or acquired any capital asset through CSR spent during the financial year ended March 31, 2024. All CSR expenditure has been done through the implementing agencies.

9. **Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per Section 135(5)**

Not applicable.

C. Vijayakumar
CEO & Managing Director
DIN: 09244485

Roshni Nadar Malhotra
Chairperson – CSR Committee
Chairperson – HCL Technologies Limited
DIN: 02346621

Place: Noida (U.P.), India
Date: April 26, 2024

Annexure 4 to the Directors' Report

Particulars pursuant to Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014

A) Conservation of Energy and Water

As a responsible corporate, the Company believes that it has got accountability to the future and an imperative role to play in addressing global challenges, climate change, and environmental sustainability. The Company has made a commitment to conserve the environment by adopting several "Green Initiatives" and being responsible for energy & water management in its area of operations. These initiatives will drive energy & water consumption in an efficient, economical, and environment friendly manner throughout all its premises.

The initiatives and good practices adopted or expanded by the Company towards conservation of energy and water during FY 2023-24 are described below:

1. **Renewable Energy Purchase -** In continuation with its commitment to reduce "carbon footprint, the Company is committed to substitute **80%** of electricity with renewable energy by 2030. The source of renewable energy is wind, solar and hydel based electricity. By transitioning electricity supply to renewable sources globally, the Company has so far transitioned **19.02%** of its energy requirement to renewable sources which is equal to **52,056.41 MWh**. Out of this, **25,565.33 MWh** for its facilities in India which includes **2,513.52 MWh** generated from onsite solar plant installations, and **26,491.08 MWh** for its Geo locations. This has enabled the Company to reduce carbon footprint by **23,198.78 tCO_2e** (Tons of Carbon dioxide equivalent) out of which **21,040.26 tCO_2e** in India and of **2,158.52 tCO_2e** in Geo locations.

2. **High Side: Chiller Operational Performance Improvement** - By implementing the performance improvement programs such as chiller performance measurement and implementing the control measure, cooling tower retrofit and fills replacement, changing the set temperature as per seasonal changes, condenser descaling activities, the Company was able to save **101.40 MWh** of energy that helped to reduce **83.45 tCO_2e** of emissions.

3. **Low Side: HVAC Operational Performance Improvement** - Efficiency improvement measures of Low Side of HVAC systems implemented in major facilities which involved energy efficient unit installation, defective coils and filters replacement, heat load reduction by room partition & operational control enhancement measures such as AHU timer-based control and temperature set point changes related activities. This has enabled the Company to save **1,364.57 MWh** of energy and has helped to reduce **1,123.04 tCO_2e** of emissions.

4. **Energy efficient Lighting and Control** - The Company extended its initiative to expand use of LED lightings in all the facilities and also adopted operational control enhancement measures such as installation of motion sensors, daylight harvesting feature which resulted in optimum usage of lighting. Energy savings achieved by these initiatives was **2,772.12 MWh** of absolute energy consumption thereby reducing **2,281.45 tCO_2e** emissions.

5. **Effective Utilization of UPS** - Based on the load demand of the UPS systems, capacity of the backup has been optimized by shutting down some of the systems. In addition, activation of passive filters has been taken up. This optimization measure resulted in energy savings of **603.90 MWh** and emission reduction of **497.01 tCO_2e.**

6. **Technology Adoption -** Process improvement in the AHU Control through rectification and revamping of BMS system was implemented. Energy savings achieved by these initiatives was **84.00 MWh** of absolute energy consumption and has helped to reduce **69.13 tCO_2e** emissions.

7. **Water Conservation** - The Company's focus on water conservation was strengthened by reducing the water flow by using of aerator filter for all washbasin taps, introducing sensor-based taps, using STP treated water for flushing, landscaping& other soft water applications, rainwater harvesting, using neem-based liquid enhanced with an anti-scaling agent in the cooling tower and a system with fewer chemicals to water. All this has enabled the Company to conserve **14,794 KL** of water.

HCLTech has reduced Scope-1 & 2 GHG emissions by **25.29%** in absolute terms, with reference to the base year 2019-20 against a target of **20%** reduction.

A summary of above-mentioned operational efficiency related interventions is tabulated as below.

Sr. No.	Intervention Particulars	FY 2023-24 (MWh)	Carbon Footprint Reduction (tCO_2e)	Investment (in ₹ Lakhs)
1	Renewable Power Purchase (India)	25,565.33	21,040.26	-
2	Renewable Power Purchase (GEO)	26,491.08	2,158.52	-
	Total	52,056.41	23,198.78	-
Operational Control related Interventions				
3	Chiller Operational Performances Improvement	101.40	83.45	21.56
4	HVAC Operational Performances Improvement	1,364.57	1,123.04	1,377.93
5	Energy Efficient Lighting and Controls	2,772.12	2,281.45	53.89
6	Effective utilization of UPS	603.90	497.01	42.07
7	Technology Adoption	84.00	69.13	2.26
	Sub Total	**4,925.98**	**4,054.08**	**1,497.71**
	Grand Total		**27,252.86**	

8. Initiatives and Best Practices

a) Transport Sustainability through Electric Vehicles

Basis the pilot study in Hyderabad and Bangalore in FY23, long term contract through EV's in FY24 were implemented. This achieved overall **149.76 tCO_2e** emission reduction compared to diesel operated vehicle.

b) Green Building Certification

Overall, 13.31 million sq. ft. of building space of the Company is certified under different 'Green Building Certification' Programs including US Green Building Council ("USGBC") for Leadership in Energy and Environment Design ("LEED"), Indian Green Building Council ("IGBC"), Building Research Establishment Environmental Assessment Method ("BREEAM") and Comprehensive Assessment System for Built Environment Efficiency ("CASBEE") etc.

95.22% (i.e., 12.67 million sq. ft.) of this green building certified area, is rated with 'Platinum' or equivalent ratings, balance 4.78% is rated with 'Gold' or equivalent ratings.

All HCLTech campuses are LEED 'Platinum' certified by USGBC or IGBC. Chennai, Bangalore, Madurai, and Noida campuses are also certified under ISO 50001: 2018 Energy Management System.

c) Climate Change Disclosure

HCLTech has been disclosing its environmental performance through CDP (formerly the Carbon Disclosure Project) since the Year 2011. CDP recognizes companies with high quality disclosure in its annual scoring process, with top companies making it onto CDP's self-styled '**A**' list. A high CDP score is supposed to be indicative of a company's environmental awareness, advanced sustainability governance and leadership commitment to address global challenges like Climate Change etc.

HCLTech has received an 'A-' Score for CDP 2023 Climate Change disclosure which is in the 'Leadership' band. This is higher than the IT & software development sector average of 'C', higher than Asia regional average of 'C' and higher than the Global average of 'C'.

HCLTech commits to reduce absolute Scope 1 and 2 GHG emissions by 50% by 2030 from a 2020 base year. HCLTech also commits to reduce absolute Scope 3 GHG emissions by 42% within the same timeframe.

Quote from CDP Director –

"As the global environmental disclosure system, CDP is dedicated to building the foundations for a thriving and sustainable economy and greatly appreciates the support of HCL Technologies in our efforts to continue driving transparency and corporate environmental action.

The situation is urgent, and the global community must act now to ensure that we limit global warming to 1.5°C. Disclosure is the first key step in addressing current and future environmental risks through standardized, comparable data. HCL Technologies has shown its commitment to transparency around its environmental impacts and strategies for action by disclosing through CDP in 2023.

Regular disclosure drives climate action and so CDP look forward to HCL Technologies sharing their environmental data for years to come."

d) CDP recognizes HCLTech as 'Supplier Engagement Leader 2023'

To make truly meaningful reductions that are harmful to the environment, businesses must cascade action down the entire supply chain. To appreciate such practices, CDP's annual Supplier Engagement Rating ("SER") program evaluates corporate supply chain engagement on climate issues with the aim to accelerate global action on supply chain emissions.

HCLTech retained its position as a leading company on CDP's 2023 Supplier Engagement Leaderboard, for taking action to measure and reduce climate risk within its supply chain. The Company has received **'A'** Score which is in the Leadership band. This is higher than the Global as well as Asia Regional Average of 'C', and higher than the IT & Software Development Sector average of 'C'. Identifying and calculating emissions in all relevant Scope 3 categories is crucial for effective emissions reduction strategies. The Company's Supplier Engagement Rating Trend for last three-years showcases the commitment and engagement level.

Quote from "Director of Supply Chain and Reporter Services, CDP" –

"It is a pleasure to welcome the 450+ companies that have made it onto CDP's 2023 Supplier Engagement Leaderboard. The Leaderboard highlights companies proactively working with their suppliers to ensure climate change action cascades down their supply chains through supplier engagement, governance, Scope 3 emissions accounting and target-setting.

As a Supplier Engagement Leader, HCL Technologies is demonstrating supply chain leadership, a prerequisite for the transition towards a net-zero, nature-positive future."

e) Cool roof with high Solar Reflectance Index ("SRI") coating in building terrace area

The solar reflective coating aims to achieve better heat reduction results. It is a thermal reflective paint and stops excessive solar heat to enter the roof. This paint has been applied to the roofs of three towers resulting in energy savings of **11.74 MWh** and has helped to reduce **9.66 tCO_2e** emissions.

f) End of Life ("EOL") replacements and Retrofits

The Company has performed "End of Life" assessment for critical equipment (HVAC systems, UPS etc.), with an intent to replace / retrofit the inefficient equipment by adopting latest technology in terms of energy efficiency, monitoring, and integration capability. The conventional DX systems have been replaced by PAC unit with investment of **₹ 1,299.20 Lakhs** giving energy savings of **635.34 MWh** and emission reduction of **522.9 tCO_2e**. Through UPS replacement, energy savings of **556.15 MWh** and emission reduction of **457.7 tCO_2e** was achieved with investment of **₹ 448.24 Lakhs**.

B) Technology Absorption, Adaptation, and Innovation

Objective

To deploy AI with intention to empower our employees and the businesses safely and responsibly, with fairness and transparency, allowing HCLTech to align with emerging laws and regulations in the respective jurisdiction(s) and to engender trust.

Approach

The AI solutions being deployed are either brand new Gen AI applications or existing applications that have added Gen AI capabilities.

Our responsible AI practice has established certain guardrails in identification, development, and use of the AI systems in delivering value versus tolerating risks.

The use cases have been selected for their Value proposition and Feasibility considerations in improving employee productivity and user experience and create agility to respond to market disruptions with innovation, diversity, equity, and inclusion.

Overall, sustainability and development are very important considerations.

HCLTech' s existing mechanisms for Risk Management and data governance are being extended to include AI, and the processes for handling AI-related business decisions are being refined with participants suitably trained. We ensure humans are always in the loop for accountability and understanding.

The examples of HR focused solutions are Gen AI Copilots to MS Office, MS Teams and developer productivity with plan to scale up to 20K users in FY25 and the custom tools for employee services for ticketing, policy and knowledge library search and retrieval, sentiment analysis, recruiter and candidate assistants that enable users to work smarter, with improved productivity and user experience.

The other examples include AI and natural language support for enterprise analytics, search, Sales CRM assistant, contracts assistant and solutions for customer sentiment analysis.

The corporate functions are envisaging how GenAI can radically transform the future of the Function or area with use-cases such as Pre-contract management Copilot, RFx Responder Copilot , Knowledge Management Copilot and with a pipeline of use cases in areas of HR like Interview Studio, Policy Studio and Mentorship Studio, Finance like Revenue assurance, Tax category derivation, Deal Evaluation, Marketing like Marketing Assets Creation, Marketing Analysis and Digital Presence, ITeS like support chat, Operational Analytics and Customer feedback analysis.

C) Research and Development ("R&D")

I. Specific areas in which R&D was carried out

1. Data Engineering and Artificial Intelligence

The Company's Data Engineering and AI offerings comprises of a comprehensive suite of services and solutions in the domains of software development, testing, technical support, AI Lifecycle Management and modernization of data platforms, providing a strong foundation for digital transformation initiatives and help businesses operate more efficiently, reduce costs, and improve customer satisfaction.

a) **AI Force for Software Engineering:** A Generative AI offering for engineering lifecycle transformation spanning the entire software development cycle (Requirements planning, software/systems design, software/systems development, Quality Assurance, DevSec Ops, Documentation, Support /Maintenance) that enables enterprises to future-proof and transform their engineering workflows, provide digitally progressive experiences to their workforce, drive efficiencies across software development lifecycle processes, and significantly reduce time to market. By leveraging AI capabilities, organizations can expedite the development process, accelerate iterations, and swiftly deploy high-quality software products, gaining a competitive edge in delivering innovative solutions to market.

b) **AI Force for Product Support:** Generative AI driven support analytics solution is designed to enhance operational efficiencies for support teams. Whether deployed on-premises or in the cloud, this versatile solution seamlessly integrates with various data sources to provide actionable insights and recommendations to stakeholders across the support spectrum to reduce ticket resolution time, reduce cost of service, and improve CSAT scores.

c) **Automated Intelligence ON ("AION"):** An AI lifecycle management platform that uses a Low-Code / No-Code approach to accelerate AI / ML model development and deployment to production. AION is also capable of finetuning & testing of private Large Language models on enterprise data.

d) **TrustifAI:** TrustifAI is our framework for Responsible AI. This is a Service delivery enabler and can help in ensuring Responsible AI components like Fairness, Security, Explainability, Ethics in an AI solution.

e) **Graviton:** A modern data platform acceleration suite that enables enterprises to efficiently build, deploy, monitor and maintain an agile and cost-efficient modern data platform. Graviton provides a collaboration workspace, centralized control pane, and a suite of intelligent data services to facilitate development and delivery of optimal data products and efficient management of data product lifecycle from development to production.

Key Features & Benefits derived:

- End-to-end consulting services and digital engineering pathways that help define data strategy and develop modernization roadmap.
- Initial customer POCs and Pilots related to Generative AI usage for improving efficiencies across engineering lifecycle and technical support operations in industries such as Fintech, Med devices, Telecom, Retail etc. have shown efficiencies and productivity improvements in the range of 13 -18%.

Future plan of Action:

- To be prepared for this growth, and our responsibility to our customers is to allow them to leverage this trend to improve their business outcomes, create more sustainable revenue flows and achieve all this the right way, keeping AI ethics and responsible AI at the forefront of our work.

2. Metaverse - AR / VR / XR

The metaverse and XR technologies are one of the defining technologies of the next decade. However, there are multiple major challenges that need to be overcome for realizing the potential of Metaverse and XR. Currently the enterprises and Industrial adoption of the technology is higher than the consumer adoption as some of these challenges are better managed at an enterprise scale. At HCLTech we have built strong capabilities across all three layers such as Wearable (Hardware), Metaverse/ XR (Application) and 5G (Infrastructure) and we are regarded as a leader in the space by multiple analysts (Avasant RadarView). We continue to strengthen our capabilities and maintain our leadership position in the market. Follow below some highlights of the last year,

- Our **XTERN Service Delivery Platform ("SDP")**, is a robust cloud-integrated rapid XR use-case deployment platform. We continue to refine the platform, add more features and position it as a leading platform for Industrial adoption.

- We are developing the Industrial Metaverse platform called '**Meta Twin**', which provides the building blocks in terms of creating virtual world visualization, integration with digital twin platform and other from various data sources, reusable assets to create immersive experience development and features to support use cases like collaborative design reviews, safety & security training and virtual remote operation center."

- We are in the process of developing an **'XR Virtual Co-Pilot'** which is a Gen AI powered Co-Pilot which enables users to extract relevant insights and data from the XR/Metaverse applications in real time.

- We continue to play a key role in development of new wearable hardware for a market leader and we touch more than 50% of the products in the market today. The rationale is based on the services we currently provide to Meta towards their Oculus Quest, Oculus pro, Aria and RayBan Stories range of products. These products occupy 50% of the market share currently in the AR/VR market space.

Key Features & Benefits derived:

- Accelerated XR application and experience development through our SDPs, which reduces development time by more than 50%.

- No-code/low-code authoring tools, plug-ins and accelerators enabling citizen developers to create highly customizable XR experiences for industry specific environments and requirements.

- Accelerated Hardware testing and validation, game testing allowing quicker release of the product in the marketspace.

Future plan of Action:

- Help more customers to move from PoC and Pilot stage to full scale implementation and thereby increase our revenues from XR and Metaverse services.

- Develop marketing strategy to position our SDPs powerfully and increase their visibility to our customers.

- Continue to invest to maintain our leadership position in the industry.

3. Cleantech

HCLTech's Sustaineering portfolio offers end-to-end sustainability solutions and services underpinned by strategic partnerships. Our comprehensive and customized services across the value chain help support our clients right from product ideation and design phase to end-of-life and sustenance.

a) mypcm: Product Carbon Analytics

The mypcm platform is a cloud based digital solution for product carbon footprint ("PCF") and product cost calculations with real time collaboration and reporting, streamlined version control and project specific configurations.

Key Features & Benefits derived:

- Evaluate value chain carbon emissions and identify levers to reduce the product carbon footprint, while ensuring product cost reduction

b) NIO – Net Zero Intelligence Operations

NIO is an IOT based enterprise-wide energy and GHG emission management solution that helps customers minimize energy footprint and achieve net-zero while generating reports in popular ESG reporting standards such as GHG Protocol, GRI etc. NIO's capabilities include integrating with multiple 3rd party software, automating data ingestion from various sources to act as a Data hub and analysing emission data to optimize enterprise energy potential and reduce costs. Measuring energy consumption from asset level to enterprise level and applying optimization analytics on this helps in achieving 7 to 12% reduction in Energy consumption leading to reduction in operational costs.

Key Features & Benefits derived:

- Reduction in energy consumption translates into reduction of Scope 1 & 2 carbon emissions by 7 to 10%.

- Adherence to compliance reporting (GHG, GRI, ISO-50001).

c) Sustainability in 5G:

HCLTech's Sustainability in 5G is an AI/ML based solution that operates and manages the RAN and 5G Core optimally based on the network traffic thereby reduces the energy usage considerably.

HCLTech's Sustainability in 5G solution monitors the network parameters across all the three domains namely Access, Transport and Core. Leveraging the AI/ML algorithms the solution enables dynamic network optimization and energy management. The AI/ML driven predictions and energy saving functionalities to analyze in real-time and dynamically optimize the network resources and improves energy efficiency. Given that the Radio access network is a significant consumer of the network energy, the dynamic RAN optimization features of HCLTech Sustainability in 5G solution offers significant optimization and energy

efficiency improvement for telecom operators. It also monitors the Core and network slice KPI parameters and help to optimize the resource allocation in the telco cloud infrastructure.

4. HCLTech X for Enterprises

HCLTech X is a headless, cloud-native digital experience platform which effortlessly integrates with an existing technology stack, giving customers the freedom to build customized solutions and deliver personalized user experiences. Driven by data led intelligent, actionable insights, it enables brands with ready-to-deploy engagement features like video, social media, notifications, community engagement, loyalty programs, gamification and more. Over and above new customer base, this platform aims at retention of existing customer segments and increase their lifetime value to convert them into brand fans.

With HCLTech X features being industry-agnostic, its quick time to market to customize the user experience journeys as per industry has been a crucial driving factor. Its ability to avoid product lock ins and democratize brands with the choice of future technologies has remarkably spiked the adoption of platform features. This has been catalyzed by seamless integration to customer's existing ecosystem making it easier for customers to incorporate the platform into their workflow. Holistically, being a one stop shop for driving personalized content experiences, contextualized brand offerings and driving monetization at scale, has driven the customers out of siloed technology environments and build operational efficiency.

Key Features & Benefits derived:

- One single platform with ready to deploy engagement features driven through data led insights.
- Low TCO platform yet seamless user experience with cloud native architecture.
- Committed reduction in time to market with pre-built platform component library.
- Composable architecture assuring no product lock-in, hence democratizing technology options for future integrations.
- Secure and scalable platform compliant with geo-specific governance, risk and compliance ("GRC") guidelines.

Future plan of action

- Leverage GenAI based LLM models to enrich DIY content publishing, AI-based content search, and media management for brand marketers.
- Develop and enhance loyalty, rewards and membership features of the platform using Blockchain/NFT based technologies.
- Introduce XR based engagement features to enhance customer experience with on-tap product 360 view

5. Connected Assets in Regulated Environment (HCLTech CARE™) Platform

To develop innovative healthcare solutions quickly, healthcare organizations need pre-built tools and resources. These include reusable building blocks for software, tools to automate tasks for developers and testers, and support for industry-leading design patterns and best practices. Our multi-tenant and IoT enabled platform with a microservices architecture provides all of this in one place.

- CARE platform accelerates the development of secure, scalable and regulatory compliant applications for medical devices and patient engagement, including those designed for cloud and edge computing environments.
- It empowers its developers to leverage cutting-edge machine learning and AI for comprehensive data management, including both telemetry data from devices and health data from patients.
- It enables medical device OEMs to offer improved remote support by enabling them to monitor, control, and access their devices remotely.

Key Features & Benefits derived:

- Get to market faster and stay ahead of the curve with rapid Medical device connectivity application development. Reduce costs and complexity with cloud, edge, and analytics/Machine learning integration.
- Enable the softwarization of devices to unlock the cloud's computing power and agility, facilitating seamless interaction and transparency between patients, healthcare professionals, service providers and payers, with the help of modern AI and data engineering techniques. It also enables remote patient monitoring.
- Remote monitoring and diagnostics helps to proactively address device issues, minimizing downtime and improving customer satisfaction.

6. Autonomous Vehicle Technology Demonstrator and Simulation

As the need for both driver and vehicle safety pave the way for smarter vehicles, the Company has invested in creating technology solutions for autonomous vehicles, extending to connected car technology to achieve advanced features.

- An internal combustion engine (ICE) vehicle has been retrofitted with the Company's automotive engineering technologies to make it a level 3 autonomous vehicle.
- The typical use-cases demonstrated are lane keep assist, automatic emergency braking, obstacle/ pedestrian/traffic sign/free drivable space detections. It also includes predefined path planning using high-precision maps and high-precision GPS.
- The Company has developed and integrated the Driver Monitoring System (DMS) to ensure the safety of the driver, occupants and vehicle.
- Technologies like AI, ML, UWB, V2X and V2I have been integrated for intelligent and dynamic decision making. The vehicle's parameters can be remotely controlled using a mobile app with appropriate pre-authorization.

- Advanced sensor fusion and deep learning algorithms are implemented to ensure that the vehicle functions efficiently in different environmental conditions. Complete drivable scenarios are simulated in our labs before it is integrated and tested in the vehicle.

- Use-cases are benchmarked and compliant to the Automotive EURO-NCAP Regulatory standard.

Key Features & Benefits derived:

- Accelerates the development and deployment of technology solutions for autonomous vehicle development.

- Some of the concepts developed as part of this program position the Company at the forefront of emerging technologies and are leveraged by global customers to accelerate their development and improve time to market of their autonomous driving programs.

- After ASAP's acquisition, HCLTech is able to play a stronger role in ADAS/AD, Electrification, IVI, Exterior Lighting, and Software areas in addition to HCL's existing capabilities with their strong experience in system and vehicle HII, SIL, Simulation, Virtual Test Automation, testing, electrical harness, verification, and validation services.

- HCLTech along with ASAP are investing in developing advanced solutions for the Software Defined Vehicle, including Connectivity, in-vehicle and Cloud Platform engineering, Data Analytics, Virtualization, Digital Twin, DevOps, CI/CD and OTA.

- HCL ADAS features implemented in autonomous car are ported into a virtual environment on the cloud by ASAP to integrate into a European OEM vehicle to demonstrate the complete SDV ecosystem.

- Dedicated Data Platform for Software-defined Vehicles: HCLTech's Dedicated SDV Data Platform enables automakers to easily store and access the vast amounts of information transmitted by state-of-the-art connected vehicles, including telemetry, image and video feeds and radar and lidar data. Deployable on any cloud or on premises, it lowers the total cost of ownership by utilizing ML-driven compression and archiving algorithms in mission-optimized pipelines. The platform readily integrates AI and GenAI use cases, as well as HCLTech's AI Force suite, to streamline R&D, enrich customer experiences and promote sustainable operations. Native support for ROS2 ecosystems and COVESA VSS with integrated visualizations using Rerun or Foxglove complete the package to provide a scalable solution to tackling the data-related challenges that forward-thinking automakers face.

7. Semiconductor

Complexity of silicon is exponentially growing due to acceleration of technologies like AI, Metaverse, Mobility, 5G driving the need to come up with high performance, low latency semiconductor designs. The Company leverages its Plug and Play RISCV and ARM platforms to offer Spec-to-Platform solutions and it's end-to-end design and manufacturing experience to help global customer to increase their speed of innovation, enabling custom silicon and platform solutions.

HCL has invested $20+M in creating a 45000+ square feet ATMP (Assembly, Test, Mark and Packaging) facility in Bangalore. This facility has 1K and 10K clean rooms that houses state of art equipment to support complete post silicon validation activities starting from silicon power on, wafer sort & functional testing, bench characterization, manufacturing test, package qualification, reliability testing and failure analysis for engineering & low to medium volumes.

The lab will be fully operational in October. As part of the lab, we are building the following:

- Remote access for customers to remotely run and view the test results for their wafer/chips

- GenAI assisted Post Silicon Validation -- we have a demo script which will read the spec from the Design specifications document, creates a test case, runs in a target environment and report the test result in an automated way.

a) Wide ranging solutions for Automotive applications

The number of Semiconductor chips in a car has gone up multi-fold to provide customer experience in e-cockpit, ADAS, V2X, etc.

- The Company designed multiple silicon solutions to address the emerging needs of the industry

  - o MCUs for Body, Control, Sensor
  - o Radar Controller SoC for ADAS applications
  - o UWB SoC for smart access

b) Infrastructure Silicon for GenAI

- Custom chips developed with hardware accelerators like (Transformers, Variational AutoEncoders (VAEs) and Deep Convolutional GAN (DCGAN) etc.) which phenomenally improves the performance for specific AI models and Hyper-Local AI models with guaranteed low-latency and high performance/watts compared to COTS CPU/GPUs. These chips drive performance required for Gen-AI workloads that handle terabytes of data for better content-and-context aware result generation.

- Extreme compression technology for Deep learning to offer Near Edge AI solutions in IOT & Consumer markets on their existing low MCU devices with 256 Kilo bytes memory.

c) GenAI for Silicon product life cycle development:

- Gen AI assisted Pre and Post Silicon & Platform validation.

- Porting of implementation across foundries and technology nodes.

8. 5G Telecom Solutions

Realizing the transformative potential of digital connectivity, we began investing in 5G as early as 2016.

Today, we create highly differentiated offerings and solutions in Core Network, RAN, etc. and continue to invest significantly in trainings and lab infrastructure for

IP development and provide resources to enhance our clients' 5G portfolio.

a) O-RAN Contribution:

- The Company has been contributing to the O-RAN Software Community (OSC) since the Cherry release in December 2020. We recently completed the G release, contributing significantly to the areas of RIC Platform and RIC Apps.
- The Company has realized the minimum viable product (MVP) by implementing E2E Traffic Steering and Predictive Load Balancing Use case in a closed-loop fashion with E2-based KPIMon and RC xApps having AI-enabled intelligence.
- HCLTech' s 5G Open RAN traffic steering software application, xApp, has received the Telecom Infra Project's (TIP) silver badge.

b) 5G System integration Framework (5G SF):

- Given the open, distributed, and disaggregated nature of the 5G network functions, the 5G System integration Framework (5G SF) offers flexibility to mix and match the network functions from various ecosystem players. This multivendor implementation calls for a system integrator to on-board, configure and validate the multivendor network functions in a staging environment and deploy it in the multi-cloud production environment. The Company has developed the 5G SF by leveraging its 5G Network On-boarding and eXchange (5G NOX), 5G Core Network Slice Manager (5G NSM) and 5G Service Assurance and Analytics (5G NSAA). Our 5G SF includes the homegrown CI/CD/CT tools (RAPID and TURBO).
- HCLTech has integrated the partner's next generation firewall solution with Open 5GS core deployed in the P5G lab. Security monitoring in the standard network interfaces like N2, N3,N4 and N6. The logs from partner's next generation firewall is monitored and overall network security assurance dashboard is provided in the NSAA module.

c) 5G Network Monetization Platform ("5G NMP")

- With 5G Stand Alone ("5G SA") deployments picking up globally, the operators are now focusing on new monetization opportunities. HCLTech Network Monetization Platform ("NMP") comprises of Network Abstraction Layer to facilitate enterprise applications/use cases development and launching new services. It leverages the Concepts/Principles being driven by the CAMARA program, where enterprise Application Function ("AF") can interact with multiple 5G cores with the help of APIs exposed by the HCLTech Network Management Platform, and this may help to reduce inter-core complex configuration for some enterprise 5G use cases.

d) 5G Lab as-a-Service:

- The Company has invested in 5G labs in India, Europe and USA. These 5G labs have live 5G network functions from various ecosystem partners and is used as a staging environment to integrate, configure and validate multivendor network functions on multi-cloud environments, enterprise 5G use case development and interoperability testing.

e) Private 5G Network Solutions:

- The Company with its 5G ecosystem partner has developed private 5G network-in-a-box solution for enterprises to adopt 5G for their digital transformation.
- The solution provides the building blocks and best combination of the elements which can be used to construct a standalone private network for hosting wireless network infrastructure, smart services, IoT device connectivity and numerous applications. Our flexible and tailorable private networks solution aims at meeting the enterprises' demand of network connectivity, given their unique objectives and challenges.
- The Company has developed domain-specific 5G use cases like AI/ML based Smart Video Analytics for different scenarios such as Industry 4.0, asset track and trace, location-based services and smart city applications to name a few.

Key Features & Benefits derived:

- Accelerates time taken to deploy and integrate Open 5G network functions in a multi-vendor, multi-cloud environment and validate interoperability.
- Enables network automation and AI/ML-based assurance solutions for network operations. Helps create and manage network slices to offer differentiated services and improve 5G monetization from enterprise customers.
- Enable Telecom operators to provide Network-as-a-Service and launch new services for network monetization.
- New innovative offerings like Location based services, Geo fencing, Quality on Demand, Network slicing, AI/ML based smart video analytics like worker safety, Drone based surveillance helps to enhance customer experience and new revenue streams for the telecom operators.
- We have built multiple IPs in 5G Technologies for load and traffic management and through our active participation in the O-RAN alliance & TIP, we are one of the leading service providers in the 5G technology space.

9. HCLSoftware R&D aims to be at the forefront of innovation, creating solutions that not only address the current challenges but also anticipate the future needs. HCLSoftware harness the collective knowledge and creativity of internal teams and of partners to deliver innovative solutions for customers. With innovation being the core of our DNA, our two flagship programs- HCLSoftware SPARC and HCL Startup SYNC adopted

many initiatives to address customer needs and create impact across the board.

9.1 Software Products Advanced Research Centre ("SPARC")

SPARC serves as the hub of intellectual exploration, fostering collaboration among experts, engineers, and scientists to solve complex technological challenges and create cutting-edge software solutions.

The key focus areas include AutoML, Generative AI, Causal AI, Productivity & Metaverse.

a) **AutoML**: Our flagship product AION is aimed to ease adoption of ML. We launched Autopilot version of AION. We are also building POCs to enable multiple use cases for Digital India with AION.

b) **Generative AI**: This remains is at the forefront of our Focus Areas. We have worked collaboratively with BigFix, AppScan, Unica product teams for these POCs. Some examples include Automated RFP responses (Commerce), Taint Propagation (AppScan), Personalized Image generation (Unica).

c) **Causal AI**: This POC simplifies the process of causal inference on the historic data by using simple English text. Some applications include drop off analytics, customer churn, renewals.

d) **Productivity**: Our productivity-focused research aims to optimize processes and elevate collaboration. Key launches in this area include:

- InnerSource for sharing reusable assets across dev teams.
- Figma to ReactJS conversion for converting UX to code with minimal effort.
- HawkInspector, an extension to enhance the security posture of GitHub Copilot by proactively identifying and alerting users about files containing sensitive information and personally identifiable data.

  Additionally, we are also created a digital marketplace that enables Make in India movement. Currently, it is being piloted with our Geometric product portfolio.

9.2 HCL Startup SYNC

HCL Startup SYNC serves as a dynamic program and platform within our R&D framework, functioning as both an open-innovation hub and a startup accelerator. Its primary role is to amplify the efforts of our internal R&D teams by immersing them in an environment ripe with fresh ideas and cutting-edge technologies from startups. The essence of Startup SYNC lies in its ability to promote the exchange of knowledge and ideas. This cross-pollination enhances the agility and efficiency of our product teams, driving innovation forward at a faster pace.

Additionally, team SYNC conducts thorough research annually to identify and analyze the latest trends in the software industry. This research serves as a valuable resource for our product leaders, managers, and engineers, enabling them to strategize and plan effectively for the next 12-18 months. The latest 2024 edition focuses on Versatility, Scalability and Agility as the three core pillars determining the success of any software business.

On the IP Side, we work actively in the U.S. and internationally to ensure the enforcement of copyright, trademark, trade secret, and other protections that apply to our software products, services, business plans, and branding. We currently have filed for over 380 U.S. and international patents out of which 258 have been granted.

HCLSoftware recognizes that Open Source is a critical part of building software for the future and involving the larger community in the overall software evolution. We have created around 200+ open source repositories for our products like Domino, AppScan, Commerce, DX, Sametime, Connections, Volt MX, Workload Automation, etc. to benefit our customers, our developers, and the community.

9.3 Core Engineering at HCLSoftware

We develop most of our products and services internally through the following core product engineering groups, highlights for few of them are follows-

a) **Cloud Engineering**

SoFy (Solution Factory)

HCL SoFy is a cloud-native solution marketplace that enables customers, partners and HCL employees to "Test Drive" HCL Software cloud native products and complimentary HCL Partner products hands-on in a cloud environment.

Key features & Benefits derived

- Easy deployment of cloud-native HCLSoftware to any cloud-native environment.
- Pre-built business scenarios with sample data and apps to simulate real-world use cases.
- Cloud-native repository to access HCLSoftware product containers and Helm charts.
- Easily search for any cloud native HCL product and business solutions.

New Innovations this year

- Online ordering. SoFy has been extended to become HCL Software Marketplace to try, buy. Online ordering has been enabled for AppScan on Cloud.
- Product-specific marketplaces - Domino, DX and LEAP marketplaces are collaborative spaces where users can discover, download, and try out add-ons contributed by community members from HCL, business partners and independent developers.
- Request Quote and Lead management capabilities - customers can request a quote for select HCL products and solutions.

b) Business Application and Industry Cloud

HCL Business Cloud is a simplified BizApps marketplace which provides faster time to market & re-platforming opportunities. It addresses new mid-market requirements and provides functional expansion opportunities. It provides multiple sources of data, integrations, and simplicity at great speed and efficiency, with faster time-to-market & re-platforming opportunities.

New Solution: HCL Commerce Cloud

HCL Commerce Cloud delivers the best of Commerce with the power of the cloud. Our solution offers the richest set of Commerce capabilities for B2B, B2C, B2B2C and D2C all on one proven platform and make easy to consume commerce, so you can sell more, faster.

Key Features & Benefits derived

- Sell More, Faster with An Integrated and Composable Solution.
- Auto Scaling and Peak Event Support means customers only pay for what they need with our 'Pay-as-you-go' predictable pricing model.
- Scalable performance to a 99.9% SLA.

New Solution: HCL Marketing Cloud

HCL Marketing Cloud delivers the best of marketing automation with the power of the cloud. Our solution offers the richest set of end-to-end Marketing capabilities from Planning to Execution, including Analysis of Multi-Channel Marketing Campaigns all on one proven platform.

Key Features & Benefits derived

- Smarter Customer Engagement- Fuelled by AI.
- Simplified Marketing Operations- Reliable, Secure & Flexible.
- Faster Time to Value- Easy-to-Consume, Rapid Adoption & Lower TCO.

New Solution: HCL Aftermarket Cloud

HCL Aftermarket Cloud is a SaaS offering that helps enterprises differentiate through service excellence. With HCL Aftermarket Cloud, one can streamline the service value chain, deliver unmatched aftermarket services, and attain the sustainability goals.

Key Features & Benefits derived

- Simplify the parts buying experience resulting in accurate order fulfilment and improved operational efficiency.
- Streamline field processes and service delivery by providing the required information, tools and spare parts.
- Optimize End-to-End Inhouse Service Management for enhanced service profitability.
- Engineered for Effective Dealer Operations resulting in higher ROI and real time visibility.

c) Hybrid Data Cloud

Customers demand a data platform that is dependable, flexible, and easy to use and can span their data infrastructure across clouds and on-premises. HCLSoftware delivers on that promise with its cloud data platform, which provides data analytics, data integration, data quality, and data management capabilities.

Actian Cloud Data Platform

Transform business by simplifying how companies connect, manage, and analyse data.

Key Features & Benefits derived

- Real-time vectorized analytics of relational data with unmatched performance.
- Expansive connector library including support for Salesforce, NetSuite, SAP, AWS, Azure, Google Cloud, etc., as well as support for REST and SOAP based connectivity.
- Self-service data mapping capabilities via a simple user interface to simplify the task of integrating information from all business applications and getting to know your customer.
- Identify and fix data anomalies as you prepare data for corporate AI and ML initiatives.

d) Total Experience (TX) Cloud

The combination of HCL's DXP, Low-code, and no-code capabilities aimed at citizen and professional developers help companies transform digitally such as supplier, dealer, and agent portals, eGov initiatives for citizens, digital workplaces for employees, and smarter worker initiatives for factory, retail, and field service people.

Volt MX

HCL Volt MX is an industry-leading multi-experience low-code app-dev platform for citizen and professional developers to deliver pixel perfect, consumer-grade digital solutions rapidly across all channels ranging from mobiles, tablets, desktop, web, kiosk, smart watches and IoT.

Key Features & Benefits derived

- High fidelity multi experiences on any device.
- True low-to-pro code app dev with no limit's integration and automation.
- Open development and deployment strategies.
- Modernize applications, integrate with data & processes from any system.
- Enable true no-code development to citizen developers with full IT governance.

What's New

- AI-Assisted development named Volt IQ built into the IDE, helps developers with design suggestions, code optimization, application translation and much more.
- Admin dashboard for ease of governing citizen developed applications.

Digital Experience

HCL DX is purpose-built to develop, deliver, and manage business-critical, self-service transactional B2C, B2B, and B2E digital experiences.

Key Features & Benefits derived

- Improve user experience with less code as well as easy integration and automation.
- Cloud-native deployment lowers the Total Cost of Ownership ("TCO").
- Integrates applications, content, and processes to form unique self-service solutions.

What's New:

- Accelerate development with 200+ connectors to popular backend systems, data, and applications.
- Easy deployments with new full cloud service options.

e) Intelligent Operations (IO) Cloud

Transforming and simplifying IT and Business operations by leveraging AI and Cloud.

BigFix

New Solutions: BigFix Workspace: The solution unifies every user endpoint, increases user satisfaction, reduces helpdesk calls, improves security,& helps to consolidate tools and processes.

Key features & Benefits derived

- Automates Endpoint Management for Every User Endpoint.
- New set of C-Suite Security KPIs proving cyber risk reduction.
- Automation to significantly improve end user experience with less IT operations.

New Solutions: BigFix AEX: A conversational AI platform for automating a wide range of industry use cases like resolving issues at user end without service desk interaction.

Key Features & Benefits derived

- Leverages NLP & ML to converse in natural language and learns as you go.
- Wide suite of enterprise app and tools integrations to fulfil most common use cases.

New Solutions: BigFix Runbook AI: BigFix Runbook AI enables continuous optimization and expansion of automation scope by fetching Structured and Unstructured Data, analysing and identifying what to automate, and configuring Runbook for automated ticket resolution.

Key Features & Benefits derived

- Improve the MTTR – Mean Time to Repair – IT task (incidents, service requests etc.)
- Dramatically reduce human errors due to manual execution of activities on a device.
- Minimize IT Cost by empowering admins to accomplish any operation without specific knowledge of the OS or Application.

IntelliOps

This is an AI-first full stack integrated offering aimed at organizations that require an infusion of advanced AIOps to boost their operations ecosystem for resilient, predictive, and continuously available digital services aligned to core business objectives.

Key Features & Benefits derived

- Enhanced security and compliance using patch compliance reporting & management.
- Cost savings & resource optimization with software asset management and asset discovery.
- Improved system reliability and performance using pro-active server & network monitoring.
- Enhanced data interpretation and knowledge retrieval using GenAI driven text contextualization.
- Enhanced data interpretation and knowledge retrieval with zero shot learning & use of pre-trained models for knowledge retrieval.

iControl

It enables the Enterprise Control Centre, delivers real-time business flow observability, bringing insight to leaders from CXOs down to the level of on-ground operations teams into business-relevant controls by creating meaningful views from both business and technology perspectives. Using Gen AI and Advanced ML it enhances resilience and minimizes the risk.

Key Features & Benefits derived

- Available on Google Marketplace.
- Effortlessly migrate flows and targets across environments

- Better UI/UX with enhanced operational visibility.
- Data-driven decision-making using data model for ad-hoc reporting.
- Streamlined data monitoring with flexible target performance view, amber warnings.

HCL Automation Orchestration - UNO

HCL UNO (Universal Orchestrator) is a hyper automation enabler that offers visibility, business process mapping, End-to-end orchestration, rule engines, and workflow modelling, optimizing productivity for organizations.

Key Features & Benefits derived

- Multi-cloud and hybrid business & IT tasks orchestration (RPA, Data pipelines).
- Serverless orchestration for cloud-native applications.
- AI-assisted automation with Clara, the Virtual assistant.
- Continuous planning, policy-driven, to support fast applications' DevOps cycles.
- Easy administration and self-scaling with microservices and Kubernetes deployment.

Key Features & Benefits derived

- Business resilience in the context of the cloud transformation.
- Compliance of the mission critical processes - auditing ready.
- Streamlined business execution and SLA achievements.
- Mainframe to Cloud modernization with superior Workload Automation and Orchestration.

f) Security and Compliance Cloud-

Enabling observability, remediation and analytics across security and compliance

HCL AppScan

New Solution: AppScan 360⁰

HCL AppScan 360˚, an extension to AppScan portfolio and a cloud-native application security platform built on modern unified architecture and has multiple deployment options(self-managed on-prem, private cloud, public cloud, as-a-service) and consumption models

Key Features & Benefits derived

- Cloud native centralized platform allowing flexible deployment.
- SAST Scanning.
- Readiness for regulated markets.

Investing in the future- Our success is based on our ability to create new and compelling products, services, and experiences for our users, to initiate and embrace disruptive technology trends, to enter new geographic and product markets, and to drive broad adoption of our products and services. We plan to continue to make significant investments in a broad range of product research and development activities, and as appropriate we will coordinate our research and development across operating segments and leverage the results across the company.

II) Expenditure on R&D for the years ended March 31, 2024 and March 31, 2023 are as follows:

(₹ in crores)

Particulars	Financial Year ended	
	March 31, 2024	March 31, 2023
Amount charged to the statement of profit and loss	544	552
R&D expenditure as a percentage of revenues	1.13%	1.19%

D) Foreign Exchange Earnings and Outgo

The Company is an export-oriented unit and majority of its business are from certain clients outside India. During the financial year under review, a substantial portion of the revenue of the Company was derived from the exports.

The foreign exchange earned and spent by the Company during the financial year, on accrual basis, is as follows:

(₹ in crores)

Particulars	Financial Year ended	
	March 31, 2024	March 31, 2023
Foreign exchange earnings	**44,927**	**40,884**
Foreign exchange outgo		
- Expenditure in foreign currency	6,559	6,451
- CIF value of imports	42	366
- Dividend remitted in foreign currency	2,210	2,041
	8,811	**8,858**

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

Place: Noida (U.P.), India
Date: April 26, 2024

Roshni Nadar Malhotra
Chairperson
DIN: 02346621

Annexure 5 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 March 31, 2024 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 a going concern 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 of
HCL Technologies Limited

Roshni Nadar Malhotra
Chairperson
DIN: 02346621

Place: Noida (U.P), India
Date: April 26, 2024

CORPORATE GOVERNANCE REPORT

HCL Technologies Limited ("HCLTech" or the "Company") believes that good governance facilitates efficient, effective and entrepreneurial management that can deliver stakeholder value over long 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 forms the foundation for successful and integral organizations, institutions, and markets. It is based on the principles of integrity, fairness, equity, transparency, accountability, and commitment to values. These practices stem from an organization's culture and mindset, and their effectiveness depends on regular review, preferably by independent parties.

The Company has developed a corporate governance framework which ensures effective board governance procedures, strong internal control systems, accountability and transparency. The Company has implemented various codes and policies to ensure best corporate governance practices at all levels. By upholding these practices, the Company aims to create an efficient and sustainable environment that benefits its stakeholders in the long run. The Company is committed in seeking opportunities for improvements on an ongoing basis.

1. PHILOSOPHY ON CODE OF GOVERNANCE

The corporate governance philosophy of the Company is based on the following principles:

- Follow the spirit and not just the letter of the law. Corporate governance standards should go beyond the law.
- Be transparent and maintain high degree of disclosure levels. When in doubt, disclose.
- Make a clear distinction between personal convenience and corporate resources.
- Communicate externally, in a truthful manner, about how the Company runs internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- Comply with the laws of 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 workplace 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 its stakeholders.

2. BOARD OF DIRECTORS

The Board of Directors ("Board") 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 strategic supervision.

The Board 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-term 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. The Board ensures that the Company complies with all relevant laws, regulations, governance practices, secretarial, accounting and auditing standards. It identifies key risk areas and key performance indicators of the Company's business and constantly monitors 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.

3. BOARD SIZE AND COMPOSITION

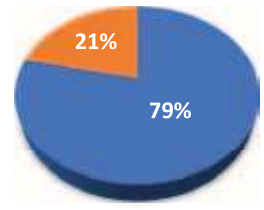
The Board is at the core of the Company's corporate governance practices and oversees how the management serves and protects the interest of all the stakeholders. The Company believes that an active, well informed and diversified Board is necessary to achieve highest standards of corporate governance.

The Board of the Company has an optimum combination of Executive Director, Non-Executive Non-Independent Directors and Independent Directors. The composition of the Board of Directors is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("Listing Regulations") and Sections 149 & 152 of the Companies Act, 2013, as amended from time to time ("Act").

As on March 31, 2024, the Board of Directors of the Company consists of fourteen directors of which one is a Managing Director (designated as Chief Executive Officer & Managing Director ("CEO & Managing Director"), two are Non-Executive Non-Independent Directors and eleven are Independent Directors. In line with the Board's Diversity policy, there are a five women directors.

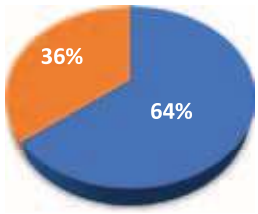
Further, the Board has appointed Ms. Lee Fang Chew (DIN: 02112309) as an Additional Director to hold office as an Independent Director of the Company for a term of five consecutive years w.e.f. April 25, 2024. The approval of the shareholders for her appointment as an Independent Director shall be taken through postal ballot in due course.

The brief profile of Board Members is available on the website of the Company at https://www.hcltech.com/leadership



Independent Directors

Non-Independent
(Executive & Non-Executive)



Men Women

Appointment / Re-appointment of Directors

(i) As per the provisions of Section 152 and other applicable provisions of the Act and the Rules made thereunder and in terms of the Articles of Association of the Company, Mr. Shikhar Malhotra (DIN - 00779720) who was liable to retire by rotation at the Annual General Meeting ("AGM") of the Company held on August 22, 2023 had offered himself for

re-appointment. The Board of Directors of the Company, after considering the relevant experience, expertise and integrity and recommendations of the Nomination and Remuneration Committee ("NRC"), recommended to the shareholders the re-appointment of Mr. Shikhar Malhotra (DIN - 00779720) as a director, liable to retire by rotation. The said re-appointment was approved by the shareholders with requisite majority at the AGM of the Company held on August 22, 2023.

(ii) After considering the relevant experience, expertise, integrity, proficiency, and exposure of Ms. Bhavani Balasubramanian (DIN-09194973) in auditing listed companies and multinationals in India and abroad and considering her leadership experience and expertise across Finance, Audit, Risk Management, Strategy, Diversity, and based on the recommendations of the NRC and in terms of Sections 161 of the Act, and Articles of Association of the Company, the Board appointed Ms. Bhavani Balasubramanian (DIN - 09194973) as an Additional Director to hold office as an (Independent Director) of the Company effective January 12, 2024 and recommended her appointment as an Independent Director of the Company not liable to retire by rotation for a term of five consecutive years, w.e.f. January 12, 2024 to January 11, 2029, to the shareholders. The said appointment was approved by the shareholders via special resolution approved through Postal Ballot on March 6, 2024.

(iii) The Board after considering Ms. Lee Fang Chew's core competencies & skills including her vast experience in leading and managing complex and large technology organizations around the world is of the view that she has the core competencies and skills that are required for an Independent Director in the context of the Company's business. She comes with business knowledge and experience in sales & marketing, software development coupled with finance/audit responsibilities which has enriched her understanding of the overall business perspective. In the opinion of the Board, Ms. Lee Fang is a person of integrity and her appointment as an Independent Director of the Company will add significant value and strength to the Board, and therefore her appointment on the Board would be in the interest of the Company.

The Board, after considering the recommendations of the NRC, appointed Ms. Lee Fang Chew (DIN - 02112309) as an Additional Director to hold office as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years, w.e.f. April 25, 2024 to April 24 , 2029 . The Board has recommended her appointment as Independent Director to the shareholders. The approval of the shareholders will be taken via Postal Ballot.

(iv) As per the provisions of Section 152 of the Act, the Rules made thereunder and in terms of the Articles of Association of the Company, Mr. C. Vijayakumar (DIN - 09244485) shall be liable to retire by rotation at the ensuing AGM and being eligible, has offered himself for re-appointment as the Director of the Company, liable to retire by rotation. The Board of Directors of the Company, after considering the relevant experience, expertise and integrity and recommendations of the NRC, recommend to the shareholders the re-appointment of Mr. C. Vijayakumar (DIN - 09244485) as a director, liable to retire by rotation, at the ensuing AGM of the Company.

4. COMPOSITION OF THE BOARD AND NUMBER OF DIRECTORSHIP(S) AND COMMITTEE MEMBERSHIP(S) / CHAIRPERSONSHIP(S) HELD AS ON MARCH 31, 2024 IN HCL TECHNOLOGIES LIMITED AND OTHER PUBLIC LIMITED COMPANIES IS AS FOLLOWS:

Name of Director and DIN	Position in the Company	No. of Directorships in Public Limited Companies	No. of Committee memberships in Public Limited Companies [1]	No. of Committee Chairmanships in Public Limited Companies [1]	No. of shares held in the Company	Directorship in other listed entities (catagory of Directorship)[4]
Ms. Roshni Nadar Malhotra [2] (DIN - 02346621)	Chairperson & Non-Executive Non-Independent Director	2	1	-	696	HDFC Asset Management Company Limited
Mr. C. Vijayakumar (DIN - 09244485)	CEO &Managing Director	1	-	-	7,64,423	-
Ms. Bhavani Balasubramanian (DIN - 09194973)	Non-Executive Independent Director	3	3	2	Nil	1. Sundram Finance Limited[3] 2. Sundaram Home Finance Limited
Mr. Deepak Kapoor (DIN - 00162957)	Non-Executive Independent Director	4	5	2	Nil	1. TATA Steel Limited 2. Delhivery Limited
Mr. S. Madhavan (DIN - 06451889)	Non-Executive Independent Director	5	8	3	5,000	1. ICICI Bank Limited 2. Procter & Gamble Health Limited 3. Eicher Motors Limited 4. Sterlite Technologies limited
Dr. Mohan Chellappa (DIN - 06657830)	Non-Executive Independent Director	1	-	-	Nil	-
Ms. Nishi Vasudeva (DIN - 03016991)	Non-Executive Independent Director	5	5	1	50	1. Tata Power Renewable Energy Limited[3] 2. Tata Projects Limited[3] 3. CRISIL Limited
Ms. Robin Ann Abrams (DIN - 00030840)	Non-Executive Independent Director	1	1	-	Nil	-

Name of Director and DIN	Position in the Company	No. of Directorships in Public Limited Companies	No. of Committee memberships in Public Limited Companies [1]	No. of Committee Chairmanships in Public Limited Companies [1]	No. of shares held in the Company	Directorship in other listed entities (catagory of Directorship)[4]
Dr. S. Shankara Sastry (DIN - 05331243)	Non-Executive Independent Director	1	-	-	Nil	-
Mr. Shikhar Malhotra [2] (DIN - 00779720)	Non-Executive Non-Independent Director	1	1	-	Nil	-
Mr. R. Srinivasan (DIN - 00575854)	Non-Executive Independent Director	2	-	-	Nil	-
Mr. Simon John England (DIN - 08664595)	Non-Executive Independent Director	1	-	-	Nil	-
Mr. Thomas Sieber (DIN - 07311191)	Non-Executive Independent Director	1	1	-	Nil	-
Ms. Vanitha Narayanan (DIN - 06488655)	Non-Executive Independent Director	1	-	-	Nil	-

Notes:

(1) In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairpersonship(s) of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies have been considered.

(2) Mr. Shikhar Malhotra and Ms. Roshni Nadar Malhotra are related as Husband and Wife. No other Director is related to any other Director on the Board.

(3) These Companies are high value debt listed public companies.

(4) The catagory of Directorships in all the companies is Non-Executive Independent Director.

5. SUMMARY OF DIRECTORS' SKILLS / EXPERTISE

In order to effectively discharge their duties, it is necessary that collectively the Directors hold the appropriate balance of skills, experience and expertise. The Board possesses diverse skills and expertise across its members, that enables the Board to take decisions comprehensively and effectively on all matters.

The Board's current Skills Matrix includes the following attributes:

	Ms. Roshni Nadar Malhotra	Mr. C. Vijaya kumar	Ms. Bhavani Balasub-ramanian	Mr. Deepak Kapoor	Mr. S. Madhavan	Dr. Mohan Chellappa	Ms. Nishi Vasudeva	Ms. Robin Ann Abrams	Dr. S. Shankara Sastry	Mr. Shikhar Malhotra	Mr. R. Srinivasan	Mr. Simon John England	Mr. Thomas Sieber	Ms. Vanitha Narayanan
Leadership Innate leadership skills including the ability to represent the organization and set appropriate Board and organization culture. Demonstrated strengths in talent development, succession planning and bringing change and long-term future growth.	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Strategic Planning and Analysis Ability to critically identify and assess strategic opportunities and threats and develop effective strategies in the context of long-term objectives and the organizations' relevant policies and priorities.	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

	Ms. Roshni Nadar Malhotra	Mr. C. Vijaya kumar	Ms. Bhavani Balasub-ramanian	Mr. Deepak Kapoor	Mr. S. Madhavan	Dr. Mohan Chellappa	Ms. Nishi Vasudeva	Ms. Robin Ann Abrams	Dr. S. Shankara Sastry	Mr. Shikhar Malhotra	Mr. R. Srinivasan	Mr. Simon John England	Mr. Thomas Sieber	Ms. Vanitha Narayanan
Information Technology Reasonable knowledge and experience in technology with an ability to foresee technological trends and changes, apply new technology and bring about innovations in business strategies.	Y	Y	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	Y
Governance Understanding of the various governance and compliance requirements under various applicable laws, supporting a strong Board base and management accountability, transparency, and protection of shareholder interests.	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	Y
Financial Wide ranging knowledge and financial skills, oversight for risk management and internal controls and proficiency in financial management and financial reporting processes.	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	Y
Diversity An appropriate mix of varied cultures, ethnicity, geography, gender, age, philosophies, life experiences and other diversity perspectives that expand the Board's understanding of the needs of diverse stakeholders and a better ability to respond to changes.	Y	Y	Y	-	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Mergers & Acquisitions Significant experience in mergers and acquisitions and other business combinations, with strong insight of risks and opportunities, valuations and diligence processes, structural impact on the organization, and ability to leverage integration planning.	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	-	Y

	Ms. Roshni Nadar Malhotra	Mr. C. Vijaya kumar	Ms. Bhavani Balasub-ramanian	Mr. Deepak Kapoor	Mr. S. Madhavan	Dr. Mohan Chellappa	Ms. Nishi Vasudeva	Ms. Robin Ann Abrams	Dr. S. Shankara Sastry	Mr. Shikhar Malhotra	Mr. R. Srinivasan	Mr. Simon John England	Mr. Thomas Sieber	Ms. Vanitha Narayanan
Global Business Understanding of diversified business environments, economic, political, cultural and regulatory framework across the globe, and a broad perspective on global market opportunities.	Y	Y	Y	Y	Y	Y	-	Y	Y	Y	Y	Y	Y	Y
Marketing and Communications Ability to analyze the market and technological impacts, developing strategies for brand awareness and brand building and enhancing market share.	Y	Y	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	Y

6. MEMBERSHIP ON OTHER BOARDS

Executive Director is allowed to serve on other corporate boards or government bodies whose interest is germane to the future of software business or on the board of key economic institutions or those organisations whose primary objective is to benefit the society.

Non-Executive Directors are expected not to serve on the boards of competing companies. Other than this, there is no limitation on the directorships except those imposed by law and good corporate governance practices.

7. DIRECTORS' RESPONSIBILITIES

A. In addition to the duties and responsibilities entrusted on the Directors of the Company as per the provisions of the Act and the Listing Regulations, it is the elementary responsibility of the Directors to oversee the management of the Company and in doing so, serve the best interests of the Company and its stakeholders. This responsibility *inter-alia* shall include:

- Reviewing and approving fundamental operating, financial and other corporate plans, strategies and objectives.
- Establishing a corporate environment that promotes timely and effective disclosure (including robust and appropriate controls, procedures and incentives), fiscal responsibilty, high ethical standards and compliance with all applicable laws and regulations.
- Evaluating the performance of the Company and its senior executives.
- Evaluating the overall effectiveness of the Board and its Committees.
- Attending the meeting of the Board & its Committees and also attending the Annual General Meeting & other General Meetings of the shareholders.

B. **Exercise business judgement:** In discharging their fiduciary duties of care and loyalty, the Directors are expected to exercise their business judgement 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.

D. **Establish effective systems:** The Directors are responsible for determining that effective systems are in place for periodically and timely reporting by the management 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 polices.
- Material litigation, governmental and regulatory matters.

8. BOARD AND COMMITTEE MEETINGS - FUNCTIONING AND PROCEDURE

Calendar	The calender for the Board and Committee meetings for the forthcoming financial year are decided in advance and published as part of this Report.
Frequency	The Board meets at least once in a quarter to review the financial 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.
Location	The venue of attending the Board / Committee meetings is informed well in advance to all the Directors. Every Director is expected to attend the meetings in person. The Company effectively uses videoconferencing facility to enable the participation of Directors who are not able to attend the meetings in person.
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 and / or its Committee(s). All such matters are communicated to the Company Secretary in advance so that the same can be included in the agenda for the Board / Committee meetings, after seeking approval of the Chairperson of the Board / respective Committee.
Meeting material / agenda distributed in advance	Meetings are governed by the structured agenda. The agenda for each Board / Committee meeting is circulated in advance to the Directors. The agenda items are backed by the comprehensive background information. All material information is incorporated in the agenda facilitating meaningful and focused discussions in the meeting. Every Director is free to suggest items for inclusion in the agenda. Also, the Company has adopted a web-based application for transmitting Board / Committee Agenda(s).
Presentations by management	The Board is given presentations covering operational performance, financials and major updates on business opportunities, business strategy, risk management practices, treasury / forex update, tax update, litigation update, changes in applicable law(s), etc.
Access to employees	The Directors are provided free access to communicate with the officers and employees of the Company. Management is encouraged to invite the Company personnel to any Board / Committee(s) meeting at which their presence and expertise would help the Board to have a full understanding of the matters being considered.
Availability of information to Board members	The information placed before the Board includes annual operating plans and budgets including operating and capital expenditure budgets, financial results of the Company both consolidated and standalone basis, financials of each of the subsidiaries and investments made by the subsidiaries, risk assessment and minimization procedures, update on the state of the market for the business as well as on the strategy, minutes of subsidiaries, minutes of all the Board Committees, related party transactions, details of the treasury investments, details of foreign exchange exposure, update on statutory and secretarial compliance reports and reports of non-compliances, if any, information on recruitment / remuneration of senior officers, show cause / demand notices, if any, details of joint ventures or collaboration agreements, significant changes in the accounting policies, significant changes in laws, sale of any material nature, etc.
Post meeting follow-up mechanism	The guidelines for Board and Committee meetings facilitate an effective post meeting follow up review and reporting process for the decisions taken by the Board and Committee(s) thereof. The important decisions taken at the Board / Committee meetings are promptly communicated to the concerned departments / divisions. Action taken report on the decisions of the previous meeting(s) is placed at the subsequent meetings of the Board / Committee(s) for information and review by the Board / respective Committee(s).

9. BOARD MEETINGS AND ATTENDENCE

Four Board Meetings were held during FY 2023-24. These meetings were held on April 19-20, 2023, July 12, 2023, October 12, 2023 and January 12, 2024. The necessary quorum was present at all the meetings and Independent Directors were also present in such meetings. The maximum interval between any two meetings did not exceed 120 days.

The following table gives the attendance of the Directors at the Board Meetings held during FY 2023-24 and at the last AGM:

Name of the Directors	No. of Board meetings held during Director's tenure	No. of Board meetings attended by Director during his / her tenure	Attendance (%)	Whether last AGM attended
Ms. Roshni Nadar Malhotra	4	4	100	Yes
Mr. C. Vijayakumar	4	4	100	Yes
Ms. Bhavani Balasubramanian*	1	1	100	NA
Mr. Deepak Kapoor	4	4	100	Yes
Mr. S. Madhavan	4	4	100	Yes
Dr. Mohan Chellappa	4	4	100	Yes
Ms. Nishi Vasudeva	4	4	100	Yes
Ms. Robin Ann Abrams	4	4	100	Yes
Dr. S. Shankara Sastry	4	4	100	No
Mr. Shikhar Malhotra	4	4	100	Yes
Mr. R. Srinivasan	4	4	100	Yes
Mr. Simon John England	4	4	100	Yes
Mr. Thomas Sieber	4	4	100	Yes
Ms. Vanitha Narayanan	4	4	100	Yes

**Ms. Bhavani Balasubramanian was appointed as an Independent Director of the Company w.e.f. January 12, 2024.*

10. DECLARATION BY INDEPENDENT DIRECTORS

Every Independent Director, at the first meeting of the Board in which he / she participates as a Director and thereafter at the first meeting of the Board in every financial year, gives a declaration that he / she meets the criteria of Independence as provided under Section 149 of the Act and applicable rules made thereunder and Regulation 16(1)(b) & 25(8) of the Listing Regulations. The Company has received necessary declarations from each Independent Director that he / she meets the criteria of Independence in terms of the Act and Listing Regulations.

Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfill the conditions as specified in the Act and the Listing Regulations and are independent of the Management of the Company.

11. MEETING OF THE INDEPENDENT DIRECTORS

In terms of the provisions of the Act and the Listing Regulations, the Independent Directors of the Company shall meet at least once in a financial year, without the presence of Executive and Non-Independent Directors and members of the management. The Independent Directors of the Company met on March 22, 2024 *inter-alia* discussed and reviewed:

- 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 the Executive Directors and Non-Executive Directors; and
- 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.

12. BOARD EVALUATION

The Board, pursuant to the provisions of the Act and the Listing Regulations has carried out an Annual Evaluation of its own performance, performance of the Board Committees and of the individual Directors (including the Independent Directors) on various parameters.

The criteria for the evaluation of the performance of the Board, the Committees of the Board and the individual Directors, including the Chairperson of the Board was approved by the Nomination and Remuneration Committee ("NRC") of the Company.

The Board considered the aforesaid evaluation done by the independent Directors in their meeting and undertook the annual performance evaluation that included review of the Board evaluation framework, performance of the Board as a whole, performance of the Board Committees, performance of Individual Directors including Independent Directors and fulfilment of the independence criteria and their independence from the management.

The Board evaluated the performance of the Board as a whole after seeking inputs from all the directors on the basis of criteria such as Board composition and structure, effectiveness of board processes, information and functioning, etc. The performance of the individual directors (including the Independent Directors) was reviewed by the Board on the basis of criteria such as contribution of individual Director to the Board and Committee meetings, preparedness on the issue to be discussed, meaningful and constructive contribution and inputs in the meetings etc. The performance of the Board Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as composition of Committees, effectiveness of Committees, etc. In addition, the Chairperson of the Board was also evaluated on the key aspects of her role.

13. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Independent 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 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, the Independent Directors are issued a letter of appointment setting out in detail the terms of appointment including their roles, function, responsibilities and their fiduciary duties as a Director of the Company. A draft letter is available on the website of the Company. The weblinks of the familiarisation programme and the draft appointment letter have been provided at the end of this report.

14. BOARD DIVERSITY

The Company recognizes its obligation to maintain a diverse Board. The Company considers that the concept of diversity incorporates several different aspects, such as professional experiences, business perspectives, skills, knowledge, gender, age, culture, educational background and ethnicity.

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 Diversity policy of the Company is available on the website of the Company and the weblink for the same has been provided at the end of this report.

15. 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 actions.

Keeping in view the requirements of the Act as well as the Listing Regulations, the Board has approved 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 and / or for approval.

All decisions / recommendations made by various Board Committees during FY 2023-24 were noted / accepted by the Board.

16. FREQUENCY AND LENGTH OF MEETINGS OF THE COMMITTEES OF THE BOARD AND AGENDA

The Chairperson of each Committee of the Board, in consultation with the 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 in advance with all the members of the Committee.

17. CHAIRPERSONSHIP/ MEMBERSHIP OF DIRECTORS IN COMMITTEES OF THE BOARD OF DIRECTORS OF THE COMPANY AS ON MARCH 31, 2024

S. No.	Director	Audit Committee	Nomination and Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Finance Committee	Risk Management Committee	ESG & Diversity Equity Inclusion Committee
Executive Director								
1	Mr. C Vijayakumar	NA	NA	NA	NA	NA	NA	NA
Non-Independent Non-Executive Directors								
2	Ms. Roshni Nadar Malhotra	NA	NA	Member	Chairperson	Member	NA	Member
3	Mr. Shikhar Malhotra	NA	NA	Member	NA	Member	NA	NA
Independent Non-Executive Directors								
4	Ms. Bhavani Balasubramanian	Member	NA	NA	NA	NA	Member	NA
5	Mr. Deepak Kapoor	Member	NA	NA	NA	NA	Member	NA
6	Mr. S. Madhavan	Chairperson	NA	Chairperson	Member	Chairperson	Chairperson	NA
7	Dr. Mohan Chellappa	NA	Member	NA	Member	NA	NA	NA
8	Ms. Nishi Vasudeva	Member	NA	NA	NA	NA	Member	NA
9	Ms. Robin Ann Abrams	Member	Member	NA	NA	NA	Member	Chairperson
10	Dr. S. Shankara Sastry	NA	NA	NA	NA	NA	NA	NA
11	Mr. R. Srinivasan	NA	Member	NA	NA	Member	NA	NA
12	Mr. Simon John England	NA	Member	NA	NA	NA	NA	Member
13	Mr. Thomas Sieber	Member	NA	NA	NA	Member	Member	NA
14	Ms. Vanitha Narayanan	NA	Chairperson	NA	NA	NA	NA	NA

Notes:

1) Mr. Thomas Sieber, Independent Director, was co-opted as a Member of the Audit Committee and Risk Management Committee w.e.f. July 12, 2023.

2) Mr. Simon John England, Independent Director was co-opted as a Member of the Nomination and Remuneration Committee w.e.f. July 12, 2023.

3) Ms. Vanitha Narayanan, Independent Director, was appointed as the Chairperson of the Nomination and Remuneration Committee in place of Mr. R. Srinivasan who continues as a Member of the Committee w.e.f. July 12, 2023.

4) Ms. Roshni Nadar Malhotra, Chairperson of the Board, ceased to be Member of the Nomination and Remuneration Committee w.e.f. July 12, 2023.

5) Ms. Bhavani Balasubramanian, Independent Director, was co-opted as a Member of the Audit Committee and Risk Management Committee w.e.f. January 12, 2024.

18. Details of Board Committees

The details of the Committees are as follows:

A. Audit Committee

The Audit Committee of the Company comprises of six members. The Committee is chaired by Mr. S. Madhavan, an Independent Director of the Company. Ms. Bhavani Balasubramanian, Mr. Deepak Kapoor, Ms. Nishi Vasudeva, Ms. Robin Ann Abrams and Mr. Thomas Sieber are the other members of the Committee, all of whom are Independent Directors.

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 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 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 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 examination with 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:

i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section 134(5) of the Companies Act, 2013;

ii) Any changes in accounting policies and practices and reasons for the same;

iii) Major accounting entries based on exercise of judgment by management;

iv) Qualifications in draft audit report;

v) Significant adjustments made in the financial statements arising out of audit;

vi) The going concern assumption;

vii) Compliance with accounting standards;

viii) Compliance with stock exchange and legal requirements concerning financial statements;

ix) 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;

x) Contingent liabilities;

xi) Status of litigations by or against the Company; and

xii) 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 Financial Statements

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

h) The Audit Committee shall perform the following Risk Management Functions

i) Assist the Board in overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and external environmental risks;

ii) Review and approve the Risk management Policy and associated framework, processes and practices;

iii) Assist the Board in taking appropriate measures to achieve a prudent balance between risk and reward in both ongoing and new business activities;

iv) Evaluating significant risk exposures including business continuity planning and disaster recovery planning;

v) Assessing management's actions in mitigating the risk exposures in a timely manner;

vi) 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;

vii) 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;

viii) Maintaining an aggregated view on the risk profile of the Company/ Industry in addition to the profile of individual risks;

ix) Ensure the implementation of and compliance with the objectives set out in the Risk Management Policy;

x) 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;

xi) Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time; and

xii) 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 auditor and the senior internal auditor to the extent deemed appropriate by the Chairperson of the 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 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 Chairperson of the Audit Committee in appropriate or exceptional cases. Matters referred and the action taken shall be regularly reported to the 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 and 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 Ombudsperson Function or the Whistleblower 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 Committee have a conflict of interest in a given case, they should recuse themselves and the others on the 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 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 Committee shall approve the appointment of the CFO (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:

i) Management discussion and analysis of financial condition and results of operation;

ii) Statement of related party transaction submitted by the management;

iii) Management letters / letters of internal control weaknesses issued by the statutory auditors;

iv) Internal audit reports relating to internal control weaknesses;

v) The appointment, removal and terms of remuneration of the Chief Internal Auditor;

vi) Inter-corporate loans and investments including review of utilization of loans and/or advances from / investment by the Company in any of its subsidiary exceeding the prescribed limit of the asset size of the subsidiary as provided in SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015;

vii) Valuation of undertakings and assets of the Company whenever necessary; and

viii) Internal control system in regard to prevention of insider trading.

w) Basis of Related Party Transactions

The statement in summary form of transactions with related parties in the ordinary course of business shall be placed periodically before the audit committee.

Details of individual transactions with related parties, which are not in the normal course of business, shall be placed before the audit committee.

Details of individual transactions with related parties or others, which are not on arm's length basis shall be placed before the Audit Committee together with the management justification for the selection of the related party and the price and other terms agreed.

Approval or any subsequent modification of all transactions of the Company with related parties.

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 arms' length principle, with suitable explanations for any departures, the Committee shall periodically approve the related party transactions.

Explanation:

a) "Related Party Transaction" means a transaction envisaged as a related party transaction defined under the Companies Act, 2013 or under SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (including any amendments thereof).

b) "Related Party" means a related party as defined under the Companies Act, 2013, rules made thereunder and

under applicable accounting standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any amendments thereof).

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 Committee or any matter in which they are invited by the 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 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 Committee and the Committee shall send its reply or observations to the Auditor and such matters shall be reported to the Board by the 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 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 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 the terms and conditions and the appointment of a registered valuer having the requisite qualifications and experience.

ad) Review of scheme of restructuring

The Audit Committee shall review and provide its comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the company and its shareholders.

Nine meetings of the Audit Committee were held during FY 2023-24. These meetings were held on April 20, 2023, June 27, 2023, July 12, 2023, August 18, 2023, September 26, 2023, October 12, 2023, December 19, 2023, January 12, 2024 and March 28, 2024. The necessary quorum was present at all the meetings. The maximum interval between any two meetings did not exceed 120 days.

Attendance details of each member at the Audit Committee meetings held during FY 2023-24 are as follows:

Name of the Committee Member	Position	No. of meetings held	No. of meetings attended	% of attendance
Mr. S. Madhavan	Chairperson	9	9	100
Ms. Bhavani Balasubramanian	Member	1	1	100
Mr. Deepak Kapoor	Member	9	8	88.88
Ms. Nishi Vasudeva	Member	9	8	88.88
Ms. Robin Ann Abrams	Member	9	9	100
Mr. Thomas Sieber	Member	6	6	100

Notes:

1) Mr. Thomas Sieber, Independent Director, was co-opted as a member of the Audit Committee w.e.f. July 12, 2023.

2) Ms. Bhavani Balasubramanian, Independent Director, was co-opted as a member of the Audit Committee w.e.f. January 12, 2024.

3) The Audit Committee granted leave of absence to Mr. Deepak Kapoor and Ms. Nishi Vasudeva who had expressed their inability to attend the meeting.

B. Nomination and Remuneration Committee

The Company's Nomination and Remuneration Committee ("NRC") comprises of five members, all of whom are Independent Directors. The Committee is chaired by Ms. Vanitha Narayanan, Dr. Mohan Chellappa, Ms. Robin Ann Abrams, Mr. R. Srinivasan and Mr. Simon John England are the other members of the Committee.

Terms of Reference

The terms of reference of the NRC 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 ("Board").

b) Review and recommend to the Board the appointment and removal of Directors / Key Managerial Personnel and persons in senior management.

c) Review of criteria to carry out the performance evaluation of the Board as a whole and individual Directors.

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 –

i) 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;

ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

iii) 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) Devise a Policy on Board Diversity.

g) Review and approve / recommend the remuneration for the Senior Management / Key Managerial Personnel of the Company.

h) Approve inclusion of senior officers of the Company as part of the Senior Management.

i) Approve promotions of the Senior Management / Key Managerial Personnel.

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 / associate 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 FY 2023-24, the NRC met six times on April 12, 2023, May 23, 2023, July 6, 2023, October 5, 2023, January 8, 2024 and February 13, 2024. The necessary quorum was present at all the meetings.

Attendance details of each member at NRC meetings held during the FY 2023-24 are as follows:

Name of the Committee Member	Position	No. of meetings held	No. of meetings attended	% of attendance
Ms. Vanitha Narayanan	Chairperson	6	6	100
Ms. Roshni Nadar Malhotra	Member	3	3	100
Dr. Mohan Chellappa	Member	6	6	100
Ms. Robin Ann Abrams	Member	6	6	100
Mr. R. Srinivasan	Member	6	6	100
Mr. Simon England	Member	3	3	100

Notes:

1. *Mr. Simon John England, Independent Director, was co-opted as a member of the NRC and Ms. Roshni Nadar Malhotra, Chairperson of the Board, Non-Independent, Non-Executive Director, ceased to be a member of the NRC w.e.f. July 12, 2023.*

2. *Ms. Vanitha Narayanan, Independent Director, was appointed as the Chairperson of the NRC w.e.f. July 12, 2023 in place of Mr. R. Srinivasan who continues as a member of the NRC.*

Remuneration Policy for Directors, Key Managerial Personnel and other employees

I. Scope of the Policy

The Remuneration Policy ("Policy") applies to the Directors, Key Managerial personnel and other employees of HCL Technologies Limited ("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:

a) To create a transparent system of determining the appropriate level of remuneration throughout all career levels and roles of the Company;

b) Motivate the directors, Key Managerial personnel and other employees, to perform to their maximum potential;

c) 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;

d) Allow the Company to compete in each relevant employment market;

e) Provide consistency in remuneration and benefits throughout the Company;

f) 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, and contribution at the Board and certain Committee meetings as well as 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 endeavors 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.

The Company may consider on case-to-case basis for granting the personal loan to the employees on a specific request by the employees.

VI. Disclosure

The Policy shall be disclosed in the Board Report, Annual Report, website 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.

The above policy is also available at the website of the Company and weblink for the same is provided at the end of this report.

C. Stakeholders' Relationship Committee

The Company's Stakeholders' Relationship Committee ("SRC") comprises of three members with one member as Independent Director. The Committee is chaired by Mr. S. Madhavan, Independent Director. Ms. Roshni Nadar Malhotra and Mr. Shikhar Malhotra are the other members of the Committee.

Mr. Manish Anand, Company Secretary, is the Compliance Officer of the Company.

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 re-materialisation of shares / securities, issuance of split and duplicate shares / security certificates.

During FY 2023-24, the Committee met eight times on April 12, 2023, July 19, 2023, August 16, 2023, September 26, 2023, December 14, 2023, January 12, 2024, February 1, 2024 and February 20, 2024. The necessary quorum was present at all the meetings.

Attendance details of each member at SRC meetings held during the FY 2023-24 are as follows:

Name of the Committee Member	Position	No. of meetings held	No. of meetings attended	% of attendance
Mr. S Madhavan	Chairperson	8	8	100
Ms. Roshni Nadar Malhotra	Member	8	8	100
Mr. Shikhar Malhotra	Member	8	8	100

Investors' Grievances

The following table shows the Investors' complaints received during FY 2023-24:

Particulars	No. of Complaints
Investor complaints pending at the beginning of the year	NIL
Investor complaints received during the year	15
Investor complaints disposed off during the year	15
Investor complaints remaining unresolved at the end of the year	NIL

D. Risk Management Committee

The Risk Management Committee ("RMC") of the Company comprises of six members. The Committee is chaired by Mr. S. Madhavan, Independent Director of the Company. Ms. Bhavani Balasubramanian, Mr. Deepak Kapoor, Ms. Nishi Vasudeva, Ms. Robin Ann Abrams and Mr. Thomas Sieber are the other members of the Committee, all of whom are Independent Directors.

Terms of Reference

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

a) To assist the Board of Directors ("Board") in overseeing the responsibilities with regard to the identification, evaluation, monitoring and mitigation of internal and external risks, in particular including financial, operational, strategic sectoral, sustainability (particularly, ESG related risks), information cyber security risks, privacy and data protection risks or any other risk as may be determined by the Risk Management Committee ("Committee").

b) To assist the Board in taking appropriate measures to achieve a prudent balance between risk and reward in both ongoing and new business activities.

c) To formulate a detailed Risk Management Policy and periodically review and approve it, at least once in two years, including by considering the changing industry dynamics and evolving complexity associated framework, processes and practices.

d) To ensure there is an appropriate global privacy compliance program in place for the Company to mitigate significant privacy risks.

e) To evaluate significant risk exposures including business continuity planning and disaster recovery planning to ensure a Business Continuity Plan ("BCP") is in place for the Company.

f) To assess management's actions in mitigating the risk exposures in a timely manner.

g) To 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

h) To keep the board informed of all its decisions, recommendations and actions to be taken and to 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.

i) To maintain an aggregated view on the risk profile of the Company / industry in addition to the profile of individual risks.

j) To ensure the implementation of and compliance with the objectives set out in the Risk Management Policy including evaluating the adequacy of risk management systems.

k) To 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.

l) To review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

m) 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, seek necessary information from any Employee and any external expert advisors considered necessary for any task and they will provide their findings to the Committee.

n) To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any).

o) To coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board.

During FY 2023-24, the Committee met four times on June 27, 2023, September 26, 2023, December 19, 2023 and March 28, 2024. The necessary quorum was present at all the meetings. The maximum interval between any two consecutive meetings did not exceed 180 days.

Attendance details of each member at the Risk Management Committee meetings held during FY 2023-24 are as follows:

Name of the Committee Member	Position	No. of board meetings held	No. of meetings attended	% of attendance
Mr. S. Madhavan	Chairperson	4	4	100
Ms. Bhavani Balasubramanian	Member	1	1	100
Mr. Deepak Kapoor	Member	4	3	75
Ms. Nishi Vasudeva	Member	4	3	75
Ms. Robin Ann Abrams	Member	4	4	100
Mr. Thomas Sieber	Member	3	3	100

Notes:

1) *Mr. Thomas Sieber, Independent Director, was co-opted as a member of the RMC w.e.f. July 12, 2023.*

2) *Ms. Bhavani Balasubramanian, Independent Director, was co-opted as a member of the RMC w.e.f. January 12, 2024.*

3) *The RMC granted leave of absence to Mr. Deepak Kapoor and Ms. Nishi Vasudeva who had expressed their inability to attend the meeting.*

E. Corporate Social Responsibility Committee

The Company's Corporate Social Responsibility ("CSR") Committee comprises of three members including two Independent Directors. The Committee is chaired by Ms. Roshni Nadar Malhotra. Dr. Mohan Chellappa and Mr. S. Madhavan, Independent Directors of the Company, are the other members of the Committee.

Terms of Reference

The terms of reference of the CSR Committee are as under:

a) Formulate and recommend to the Board, a CSR Policy.

b) Recommend the amount of expenditure to be incurred on CSR activities.

c) Formulate and recommend to the Board the Annual Action Plan, which shall include:

   i) the list of CSR projects or programs that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013.

   ii) the manner of execution of such projects or programs;

   iii) the modalities of utilization of funds for the projects or programs;

   iv) Implementation schedules for the projects or programs;

   v) monitoring mechanism for the projects or programs;

   vi) reporting mechanism for the projects or programs; and

   vii) details of need and impact assessment, if any, for the projects undertaken by the company.

d) Institute a transparent monitoring mechanism for implementation of CSR projects or programs or activities undertaken by the Company.

e) Monitor the Annual Action Plan for the CSR activities of the Company from time to time.

f) Monitor the CSR Policy from time to time.

g) Recommend to the Board, the treatment of short / excess spending in any financial year, as per the provisions of the Companies Act, 2013 and the Rules made thereunder.

h) Review the need for Impact Assessment, if any, for the projects or programmes.

The CSR Policy of the Company is available on the website of the Company and the weblink for the same has been provided at the end of this report.

During FY 2023-24, the CSR Committee met two times on April 12, 2023 and October 5, 2023. The necessary quorum was present at all the meetings.

Attendance details of each member at the CSR Committee meetings held during FY 2023-24 are as follows:

Name of the Committee Member	Position	No. of meetings held	No. of meetings attended	% of attendance
Ms. Roshni Nadar Malhotra	Chairperson	2	2	100
Dr. Mohan Chellappa	Member	2	2	100
Mr. S. Madhavan	Member	2	2	100

F. Finance Committee

The Finance Committee of the Company comprises of five members, with three of its members as Independent Directors. The Committee is chaired by Mr. S Madhavan. Ms. Roshni Nadar Malhotra, Mr. Shikhar Malhotra, Mr. Thomas Sieber and Mr. R Srinivasan are the other members of the Committee.

Terms of Reference

The terms of reference of the Finance Committee are as under:

a) Review and provide its recommendations to the Board on the proposals regarding capital structure plans including any specific equity / debt financing plans.

b) Review on a half yearly basis the actual performance of the Company against the budgets.

c) Review and provide its recommendations to the Board on the capital expenditure plans, beyond the limits delegated to the CFO or CEO & Managing Director, as per the Delegation of Authority.

   However, the Committee shall have the power to approve capital expenditure plans involving investment in capital projects up to $250 million in a financial year.

d) Evaluate the performance of and returns on approved capital expenditure.

e) Review and approve the proposals for mergers, acquisitions and divestitures and provide its recommendations to the Board.

f) Evaluate the performance of acquisitions.

g) Review at a conceptual level the broad approach and the elements (including tax) considered for setting up subsidiaries or branches in various geographies.

h) Plan and prepare strategies for managing the foreign exchange exposure – the Committee to approve the hedging policy and monitor its performance.

i) Approve the investment policy and review the performance thereof.

j) Recommend dividend policy to the Board.

k) Review and approve the insurance coverage and program for the Company.

l) Approve opening / closing of bank accounts of the Company and change in signatories for operating the bank accounts of the Company.

   However, this authority will not extend to such activities related to the subsidiaries of the Company and its joint ventures.

m) Review the progress/transformation of the Finance function at periodic intervals.

n) Periodic review of the initiatives / activities carried out on investors relations front.

o) To perform any other activities or responsibilities assigned to the Committee by the Board of Directors from time to time.

p) 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 FY 2023-24, the Committee met four times on May 24, 2023, August 22, 2023, November 20, 2023 and February 8, 2024. The necessary quorum was present at all the meetings.

Attendance details of each member at the Finance Committee meetings held during FY 2023-24 are as follows:

Name of the Committee Member	Position	No. of meetings held	No. of meetings attended	% of attendance
Mr. S. Madhavan	Chairperson	4	4	100
Ms. Roshni Nadar Malhotra	Member	4	4	100
Mr. Shikhar Malhotra	Member	4	4	100
Mr. R. Srinivasan	Member	4	4	100
Mr. Thomas Sieber	Member	4	4	100

G. ESG & Diversity Equity Inclusion Committee

In order to affirm, guide and support the commitment of the Company towards ESG and to drive gender diversity, the Company has in place a Committee of the Board named as ESG & Diversity Equity Inclusion Committee.

The ESG & Diversity Equity Inclusion Committee of the Company comprises of three members, out of which two are Independent Directors. The Committee is chaired by Ms. Robin Ann Abrams. Ms. Roshni Nadar Malhotra and Mr. Simon John England are the other members of the Committee.

Terms of Reference

The terms of reference of the ESG & Diversity Equity Inclusion Committee are as under:

Matters related to Diversity & Inclusion:

a) Gender Diversity –

i) To support the progression of women into senior roles.

ii) To ensure fair representation of women candidates in the hiring process.

iii) To ensure fairness in promotion, compensation, rewards and leadership development process.

iv) To build the leadership pipeline to achieve balanced gender ratio to all the levels of leadership.

v) To manage bias in talent review and succession planning.

b) Culture and Ethnicity –

i) To measure culture via setting of cultural indicators.

ii) To promote inter-cultural competence.

iii) To ensure high impact leadership transitions.

iv) To create a culturally balanced diverse workforce.

v) To empower people of different ethnicity and diverse cultural backgrounds.

c) Individuals with Disabilities –

i) To ensure non-discrimination and recognition of the diversity of people with disabilities.

ii) To ensure that job opportunity announcements contain language emphasizing hiring for individuals with disabilities and accordingly identify the roles/ open positions available.

iii) To ensure implementation of inclusive global policies.

iv) To ensure specialized training is provided to all employees for ensuring accessible workplace.

v) To track and monitor employment of individuals with disabilities ("IWD") on a quarterly basis.

Matters related to ESG:

a) To review emerging risks and opportunities associated with sustainability/ESG issues relative to the Company that have the potential to impact reputation and business performance including, but not limited to the following:

i) Environment - Nature of core business and impact of business on environment, Emissions / Waste Disposals / Effluents discharge, Climate change, the energy transition, emissions, including Greenhouse Gases ("GHGs") and emissions reductions technologies, carbon pricing.

ii) Social - Impact of company's product / service on society, Employee relationship, Diversity & Equality, Social impacts such as human rights and stakeholder relations.

iii) Governance - Promoters' track record towards minority shareholders, Capital Allocation track record, Board related metrics, Auditors related metrics, Business & Accounting Disclosures, quality and significant legislative and regulatory changes, including policy proposals and modifications that could materially impact the Company's business.

b) To approve the immediate and long-term plans and strategy for sustainability/ESG and satisfy itself that such strategies are integrated into the Company's strategic plan. The Committee shall also approve the annual sustainability/ ESG goals, metrics and targets for the Company and shall assess the performance against the targets, standards, metrics or methodologies from time to time.

c) To guide the management on the Company's public disclosures with respect to ESG matters, including any ESG disclosures for inclusion in the Company's Annual Report, Website and other documents which are intended to be disclosed to the public and/or the Company's shareholders, and the Company's engagement with stakeholders, including any proposals, concerns and other ESG issues that shareholders wish to bring to the Company.

d) To retain such outside counsel, experts and other advisors, as the Committee may deem appropriate in its sole discretion.

e) To review and assess the aforesaid terms periodically and recommend any proposed changes for the Board's approval.

During FY 2023-24, the Committee met four times on May 9, 2023, August 21, 2023, November 7, 2023, and February 9, 2024. The necessary quorum was present at all the meetings.

Name of the Committee Member	Position	No. of board meetings held	No. of meetings attended	% of attendance
Ms. Robin Ann Abrams	Chairperson	4	4	100
Ms. Roshni Nadar Malhotra	Member	4	4	100
Mr. Simon John England	Member	4	3	75

Note:

The ESG & Diversity Equity Inclusion Committee granted leave of absence to Mr. Simon Jonh England who had expressed his inability to attend the meeting.

19. CRITERIA FOR MAKING PAYMENTS TO EXECUTIVE AND NON-EXECUTIVE DIRECTORS OF THE COMPANY

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:

A. Executive Director:

On the recommendations of the Board and the NRC, the shareholders of the Company approved the appointment of Mr. C. Vijayakumar as the CEO & Managing Director of the Company along with remuneration payable to him in the AGM of the Company held on August 27, 2021.

In terms of the shareholders' approval for the appointment of Mr. C. Vijayakumar as the CEO & Managing Director, the appointment may be terminated by either party by giving to the other party six months' prior notice of such termination. However, the Company will have an option to terminate the services on immediate basis or by a shorter notice by paying remuneration in lieu thereof.

The remuneration paid to Mr. C. Vijayakumar during the financial year ended March 31, 2024, is as under:

Particulars	FY 2023-24 (USD Million)
Base Salary	1.96
Performance linked Bonus	1.14
LTI- cash component	2.36
LTI – perquisite value of the RSUs exercised during FY'24	4.56
Benefits, Perquisites, Allowances, etc.	0.04
Total	**10.06**

Notes:

1. *Mr. C. Vijayakumar was appointed as the Managing Director of the Company w.e.f. July 20, 2021 with the designation as 'CEO & Managing Director'. There has been no change in the overall remuneration of Mr. C. Vijayakumar, as approved by the shareholders, since his appointment.*

2. *During FY 2023-24, he did not receive any remuneration from the Company, however, he received remuneration including cash component of LTI from HCL America Inc., a step-down wholly owned subsidiary of the Company. He received USD 2.36 million as the cash component of the LTI. The perquisite value of the performance based RSUs exercised by him during FY 2023-24 was USD 4.56 million.*

3. *The Performance-linked bonus of USD 1.14 million paid in FY 2023-24 was related to performance for the previous financial year 2022-23.*

4. *During FY 2021-22, a part of the LTI, to be paid in future years, was converted into the Restricted Stock Units ("RSUs"). During FY 2023-24, 44,732 RSUs were granted under the RSU Plan of the Company. The details of the RSUs granted, vested and exercised by Mr. C. Vijayakumar are given hereunder.*

Particulars	Performance Based RSUs	Tenure Based RSUs	
Date of Grant	20-Dec-21	20-Dec-21	06-July-23
No. of RSUs	9,00,060	3,27,295	44,732
Exercise Price per RSU	₹ 2/-	₹2/-	₹2/-
Vesting Date-			
31-Jul-23	3,37,523	-	-
31-Mar-25	-	3,27,295	-
31-Jul-25	5,62,537	-	-
31-Jul-24	-	-	44,732
RSUs Exercised during FY 2023-24	3,37,523	-	-

The vested RSUs are to be exercised within 6 months from the date of vesting.

B. Non-Executive Directors:

During the financial year under review, 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 also paid commission to its Non-Executive Directors as per the limits approved by the Board and the shareholders of the Company.

The sitting fees and commission to the Non-Executive Directors for the year ended March 31, 2024, are as under:

(₹ in crores)

Name of the Director	Sitting fees paid for FY 2023-24	Commission payable for FY 2023-24
Ms. Roshni Nadar Malhotra	0.02	0.92
Ms. Bhavani Balasubramanian	0.01	0.19
Mr. Deepak Kapoor	0.02	0.86
Mr. S. Madhavan	0.03	1.06
Dr. Mohan Chellappa	0.01	1.15

Name of the Director	Sitting fees paid for FY 2023-24	Commission payable for FY 2023-24
Ms. Nishi Vasudeva	0.02	0.86
Ms. Robin Ann Abrams	0.03	1.41
Dr. S. Shankara Sastry	0.01	1.08
Mr. Shikhar Malhotra	0.02	0.80
Mr. R. Srinivasan	0.02	1.30
Mr. Simon John England	0.01	1.29
Mr. Thomas Sieber	0.03	1.37
Ms. Vanitha Narayanan	0.01	1.29

There are no other pecuniary relationships or transactions of the Non-Executive Directors with the Company.

20. 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 and Senior Management. 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 NRC of the Company. The Committee shall identify, screen and review candidates, inside or outside the Company and provide its recommendations to the Board.

21. 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.

TOTAL FEES PAID TO STATUTORY AUDITORS

a) Fees for Audit Services

For FY 2023-24, ₹ 10 crores were paid / incurred by the Company and its subsidiaries to the Statutory Auditors and their network firms in India and ₹ 12 crores were paid / incurred by the Company and its overseas subsidiaries to the firms which are member firms and / or licensees of the international organization of which the Statutory Auditor of the Company is a sub-licensee. The fees were paid for audit services related to the Company and some of its subsidiaries and included fee for review / audit of IFRS financial statements on a consolidated basis.

b) Fees for Non-Audit Services

For FY 2023-24, a total fee of ₹ 0.5 crore was paid / incurred by the Company and its subsidiaries for all non-audit services availed (in India and overseas), on a consolidated basis to the Statutory Auditors of the Company, their network firms and to the firms which are member firms and / or licensees of the international organization of which the Statutory Auditor of the Company is a sub-licensee

22. CODE OF BUSINESS ETHICS AND CONDUCT POLICY

The Board has prescribed a Code of Business Ethics and Conduct ("COBEC") Policy 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. COBEC also includes the duties of Independent Directors as mentioned in Schedule IV of the Act. COBEC Policy is periodically reviewed taking into account the prevailing business and ethical practices. COBEC Policy is also posted on the website of the Company and the weblink for the same has been provided at the end of this report. All Board members and senior management personnel have confirmed compliance with COBEC Policy for FY 2023-24. A declaration to this effect signed by the Chairperson and the CEO & Managing Director of the Company is provided in this report.

23. CODE FOR PREVENTION OF INSIDER TRADING

The Company has comprehensive codes and polices on prevention of Insider Trading and fair disclosure in line with the SEBI (Prohibition of Insider Trading) Regulations, 2015 (as amended from time to time). The Code of Conduct on Prohibition of Insider Trading ("Insider Trading Code") *inter-alia* prohibits trading in the shares (including derivatives) of the Company by the Designated Persons (as defined under the Insider Trading Code) and their immediate relatives, while in possession of unpublished price sensitive information in relation to the Company and its group companies. The Company, within two trading days of receipt of the information under the initial and continual disclosures from the Designated Persons (as defined under the Insider Trading Code), discloses the same to the extent required, to all the Stock Exchanges, where the shares of the Company are listed.

24. ANTI-BRIBERY AND ANTI-CORRUPTION POLICY

To ensure that the Company is conducting its business activities with honesty, integrity and highest possible ethical standards and to demonstrate the 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 ("ABAC") Policy that applies to the employees at all levels, directors, consultants, agents and other persons associated with the Company, its affiliates and subsidiaries. The Policy covers matters relating to hospitality, offset obligations, employment of relatives, guidance on gifts, political / charitable contributions, extortion / blackmail responses etc. ABAC Policy is available on the website of the Company and the weblink for the same has been provided at the end of this report.

The Company has embarked on the journey to align its ABAC framework with the ISO 37001:2016 Anti-Bribery Management Systems ("ABMS") certification. This journey has helped strengthen the ABAC framework to encourage all employees and business associates to understand and embrace the ethical standards and make informed and ethical decisions. The certification agency, the British Standards Institution ("BSI"), has issued the ISO 37001:2016 certificate dated December 17, 2023 to the Company re-certifying for a further period of 3 years till December 16, 2026.

HCLTech has received the coveted designation as one of World's Most Ethical Companies 2024 by Ethisphere, a global leader in defining and advancing the standards of ethical business practices. HCLTech received this recognition after completing the World's Most Ethical Companies assessment process, which requires companies to provide over 240 different proof points on their culture of ethics; environmental, social, and governance (ESG) practices; ethics and compliance program; diversity, equity, & inclusion; and initiatives that support a strong value chain.

25. PREVENTION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE POLICY

As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('POSH Act') and Rules made thereunder, in order to provide a safe and healthy work environment free of any hassles 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 Workplace 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 labor and 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 the 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 year ended March 31, 2024, the Company has received 87 complaints on sexual harassment and out of which 76 complaints were disposed off (excluding 16 complaints that were outstanding as on April 1, 2023 and disposed off subsequently by March 31, 2024) and internal review was in progress as on March 31, 2024, in respect of remaining 11 complaints.

26. WHISTLEBLOWER POLICY / VIGIL MECHANISM

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 Whistleblower 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 including breach of Company's Code of Conduct to regulate, monitor and report Insider Trading by Designated Persons and their immediate relatives, including any incident involving leak or suspected leak of unpublished price sensitive information, actual or suspected fraud or violation of the Company's Code of Business Ethics and Conduct. All cases registered under the Whistleblower Policy of the Company are reported to the external Ombudsperson who carries out preliminary investigation.

Complaints received against any EX-band (i.e. Executive Vice Presidents) and "C" Level Officers (CEO / CFO / CPO / President/ Corporate Officers) or complaints against any Director or Chairperson of the Company are overseen by the Chairperson of the Audit Committee and disciplinary action is decided by the Audit Committee. Complaints against other employees are investigated by an independent team which is overseen by the Ethics Committee. The Whistleblower has direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases and the Chairperson of the Audit Committee is authorized to prescribe suitable directions in this regard. The identity of the Whistleblower is kept confidential.

The Audit Committee reviews the policy and its implementation on periodic basis and is provided a quarterly update on the status of various complaints received and investigated. The policy is available on the website of the Company and the weblink for the same has been provided at the end of this report.

27. GENERAL BODY MEETINGS

The location and time of the AGMs held and details of special resolutions passed thereat during the preceding 3 years are as follows:

Financial Year	Date	Time (IST)	Venue	Details of Special Resolution passed
2022-23	August 22, 2023	11:00 A.M.	Via Video Conferencing	No special resolution passed.
2021-22	August 16, 2022	11:00 A.M	Via Video Conferencing	No special resolution passed.
2020-21	August 27, 2021	11:00 A.M.	Via Video Conferencing	Re-appointment of Mr. Deepak Kapoor as an Independent Director of the Company for a second term of five consecutive years w.e.f. July 26, 2022.

28. DETAILS OF RESOLUTIONS PASSED THROUGH POSTAL BALLOT

During the year under review, the Company has sought approval of the shareholders by way of special resolution through postal ballot / remote e-voting facility for the following matter:

- Appointment of Ms. Bhavani Balasubramanian (DIN-09194973) as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years *w.e.f.* January 12, 2024 to January 11, 2029.

A. Procedure followed for Postal Ballot / Remote E-voting

The postal ballot was conducted in accordance with the provisions of Sections 108 and 110 and other applicable provisions of the Act, read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 ("Management Rules") and Regulation 44 of the Listing Regulations. The shareholders were requested to provide their assent or dissent through remote e-voting only. The Company availed services of National Securities Depository Limited for the purpose of providing remote e-voting facility.

M/s. Nityanand Singh & Co., Company Secretaries, were appointed as the Scrutinizer for conducting the postal ballot through / remote e-voting process in a fair and transparent manner in accordance with the Act and the Management Rules made thereunder.

The Postal Ballot Notice ("Notice") was sent to the shareholders in electronic form to the e-mail addresses registered with the Depository Participant(s) and Company's Registrar & Share Transfer Agent. For shareholders whose e-mail addresses were not registered, the Company also published a notice in

the newspaper declaring the details of completion of dispatch through electronic mode and giving an opportunity to those shareholders who have not registered their e-mail addresses for registering the same in order to obtain the electronic copy of the Notice.

The Company fixed a cut-off date to reckon paid-up value of equity shares registered in the name of shareholders for the purpose of voting. Further, shareholders were advised to cast their votes through remote e-voting only during the voting period fixed for this purpose.

After completion of scrutiny of e-votes, the scrutinizer submitted his report and the results of postal ballot (through remote e-voting) to the Chairperson for declaration. The results were placed on the website of the Company at **www.hcltech.com** and were also intimated to the Stock Exchanges and National Securities Depository Limited. The resolutions were deemed to have been passed on the last date of remote e-voting.

B. Details of Voting Pattern

Based on Scrutinizer's Report, the details of voting pattern in respect of the resolution passed are as under:

S. No.	Particulars	No. of shareholders who voted	No. of votes cast	% of total votes cast
1	Total number of votes cast in favour of the Resolution	6,094	248,50,11,069	99.89
2	Total number of votes cast against the Resolution	211	27,97,837	0.11
Total		**6,305**	**248,78,08,906**	**100.00**
Invalid Votes		NA	NA	NA

C. Special resolutions proposed to be passed through Postal Ballat

The Board in its meeting held on April 25-26, 2024 has approved for seeking approval of shareholders through postal ballot, (*via* remote e-voting process only) on the following special businesses:

a) Appointment of Ms. Lee Fang Chew (DIN - 02112309) as an Independent Director of the Company.

b) Approval of 'HCL Technologies Limited - Restricted Stock Unit Plan 2024' and Grant of Restricted Stock Units to the Eligible Employees of the Company thereunder.

c) Grant of Restricted Stock Units to the Eligible Employees of Subsidiaries and/or Associate Companies of the Company under the 'HCL Technologies Limited - Restricted Stock Unit Plan 2024'.

d) Authorization for secondary acquisition of equity shares of the Company by HCL Technologies Stock Options Trust for implementation of 'HCL Technologies Limited - Restricted Stock Unit Plan 2024' and providing financial assistance in this regard.

29. 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 Regulations. The Policy aims to set out the principles for determining a material subsidiary. The said policy is available on the website of the Company and the web link for the same has been provided at the end of this report.

During FY 2023-24, the following were the material subsidiaries of the Company as per the criteria given in Regulation 16(1)(c) of the Listing Regulations:

Name of the Company	Date of Incorpo-ration	Place of Incorpo-ration	Name of the Statutory Auditor	Date of Appointment of Statutory Auditor
HCL America Inc.	07-Nov-1988	United States of America	M/s. BSR & Co. LLP (ICAI Number 101248W/W-00022), Chartered Accountants	September 18, 2023
HCL Bermuda Limited	10-Dec-1997	Bermuda	M/s. BSR & Co. LLP (ICAI Number 101248W/W-00022), Chartered Accountants	September 25, 2023

The Audit Committee of the Company reviews the financial statements in particular the inter-corporate loans and investments made by or in the subsidiary companies. The minutes of the Board meetings as well as the statement 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.

30. CEO / CFO CERTIFICATION

The Certificate by the CEO & Managing Director and the Chief Financial Officer of the Company on the financial statements for FY 2023-24 as stipulated in Regulation 17(8) of the Listing Regulations read with Part B of Schedule II was placed before the Board. The said Certificate forms part of this Annual Report for FY 2023-24.

31. DISCLOSURES

A. Related party transactions

During FY 2023-24, the Company has not entered into any materially significant related party transactions that may have any potential conflict with the interest of the Company at large.

B. Compliances by the Company

The Company has complied with the applicable 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 during the last three years.

C. Other Disclosures

a) The Company has in place the Whistleblower Policy which provides the Whistleblower, direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. Further, no employee has been denied access to the Audit Committee.

b) During the financial year under review, the Company did not raise any money through public issue, right issues, preferential issue or qualified institutional placement and there was no unspent money raised through such issues.

c) Maintenance of cost records and requirement of cost audit as prescribed by the Central Government under the provisions of the Section 148(1) of the Act are not applicable to the business activities carried out by the Company. Accordingly, such cost accounts and records are not maintained by the Company.

d) In terms of the provisions of the Listing Regulations, the Company has in place an "Archival Policy" and a "Policy for Determination of Materiality of Events or Information". Both the policies are available on the website of the Company and the weblinks for the same have been provided at the end of this report.

e) Credit Ratings:

i) For Bank Limits:

ICRA Limited has re-affirmed its long-term rating **[ICRA]AAA (Stable)** and short-term rating **[ICRA] A1+** to the Company in respect of its bank limits during the financial year under review.

ii) For Senior Unsecured Notes:

- S&P Global Ratings ("S&P") re-affirmed the **A-/Stable/--** credit rating to the Company, which is the Guarantor to the USD 252.207 million senior unsecured notes ("Notes") outstanding as on March 31, 2024 issued by HCL America Inc., a step-down wholly owned subsidiary of the Company incorporated under the laws of California.
- Fitch Ratings Limited ("Fitch") re-affirmed the long-term rating of **A-** with stable outlook to the Company. Fitch has also assigned long-term rating of **A-** to the Notes issued by HCL America Inc.

f) No disclosure was required to be made by the Company under clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations.

g) The Company has not given any loans and advances to the firms / companies in which the Directors are interested.

32. MEANS OF COMMUNICATION

A. Financial Results, Newspapers in which results normally published: The quarterly, half-yearly and annual financial results of the Company are generally published in leading newspapers in India *inter-alia*, in Mint (all editions) and Hindustan Hindi (Delhi Edition). The results are also displayed on the Company's website https://www.hcltech.com/investors/results-reports.

B. Website: The Company's website i.e. www.hcltech.com provides comprehensive information on the 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 Annual Report as well as quarterly, half-yearly, annual financial statements, press releases, quarterly shareholding patterns and quarterly corporate governance reports are available in downloadable format as a measure of added convenience to the investors.

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

D. Annual Report: The Annual Report containing, *inter-alia*, the Audited Annual Standalone Financial Statements, Audited Annual Consolidated Financial Statements, Auditor's Report on these Standalone and Consolidated financial statements, Directors' Report, Management Discussion and Analysis Report, Corporate Governance Report, Business Responsibility and Sustainability Report and other important information is circulated to members and others entitled thereto as per the provisions of the applicable laws and regulations. The Annual Report of the Company for FY 2023-24 shall be available on the Company's website in a user-friendly and downloadable form.

E. Intimation to the Stock Exchanges: The Company intimates to 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 the National Stock Exchange of India Limited ("NSE"), the Company has been uploading its financial information, shareholding pattern, Report on Corporate Governance and press releases etc. on the dedicated website of NSE https://neaps.nseindia.com/NEWLISTINGCORP.

G. BSE Listing Centre: As per the mandate received from the BSE Limited ("BSE"), the Company has been uploading its financial information, shareholding pattern, Report on Corporate Governance and press releases etc. on the dedicated website of BSE https://listing.bseindia.com/LoginAuth.aspx

H. Online Portal-Singapore Exchange Securities Trading Limited: As the Unsecured Notes of HCL America Inc., a step-down wholly owned subsidiary of the Company, are listed on the Singapore Exchange Securities Trading Limited ("SGX"), the necessary filings and intimations filed by the Company on NSE and BSE have also been filed on the dedicated website of SGX SGX Stargate

I. Designated exclusive e-mail ID: The Company has the following designated e-mail ID: investors@hcltech.com exclusively for investors servicing.

33. 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.

The Annual Report (2023-24) and the Notice of the Thirty-Second AGM will be sent to all the members in the manner prescribed in the applicable laws and regulations. The Shareholder may request for a physical copy of the same.

Shareholders holding shares in demat form are requested to register their e-mail addresses with their respective depository participants and shareholders holding shares in physical form are requested to register their e-mail addresses with the Registrar & Share Transfer Agent, to ensure electronic delivery of all necessary documents / communication by the Company.

34. 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, Conference Calls, Management Interviews, Face to Face Investor Meetings are conducted for a direct interaction of market participants with the management team.

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.

35. CERTIFICATE FROM PRACTICING COMPANY SECRETARY ON NON-DISQUALIFICATION OF DIRECTORS

As required under Regulation 34(3) and Schedule V of the Listing Regulations, certificate dated April 26, 2024 obtained from M/s. Chandrasekaran Associates, Practicing Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by SEBI / Ministry of Corporate Affairs or any such statutory authority, is enclosed as Annexure 1 to this Report

36. ANNUAL SECRETARIAL COMPLIANCE REPORT

As required under Regulation 24A of the Listing Regulations, the Annual Secretarial Compliance Report dated April 26, 2024 issued by M/s. Chandrasekaran Associates, Practicing Company Secretaries is available on the website of the Company at https://www.hcltech.com/investor-relations/secretarial-compliance-report

37. GENERAL SHAREHOLDER INFORMATION

a)	**Annual General Meeting:** **Date** **Time** **Venue**	Shall be specified in the AGM Notice
b)	**Financial Year**	April 1, 2023 to March 31, 2024
c)	**Date of Book Closure**	Book Closure, if any, shall be specified in the AGM Notice.
d)	**Dividend Payment Date**	There is no final dividend recommended by the Board.
e)	**Listing of Equity Shares on stock exchanges in India**	National Stock Exchange of India Ltd. (NSE) Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra East, Mumbai – 400 051, India. Tel.: +91-22-2659 8100, Fax: +91-22-26598210
		BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001, India Tel.: +91-22-22721233, Fax: +91-22-22721919
f)	**Stock Codes**	NSE – HCLTECH BSE – 532281
g)	**ISIN for Equity Shares**	INE860A01027
k)	**Listing Fees**	Paid to all Stock Exchanges for the year 2023-24
l)	**Corporate Identification Number (CIN) of the Company**	L74140DL1991PLC046369
m)	**Registered Office**	806, Siddharth, 96, Nehru Place, New Delhi – 110 019, India Tel.: +91-11-26436336 Website: www.hcltech.com

n)	**Registrar & Shares Transfer Agent (RTA)**	M/s Link Intime India Private Limited Unit- HCL Technologies Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra - 400 083 SEBI Registration No.: INR000004058 Corporate Identity Number: U671 90MH1 999PTC1 18368 Telephone: +91 22 -49186270 Fax: +91 22-4918 6060 E-mail: rnt.helpdesk@linkintime.co.in
o)	**Share Transfer System**	In terms of Regulation 40(1) of Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected in dematerialized form only. Further, SEBI vide its Circular no. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 mandated that the processing of service requests for issue of duplicate shares certificate, claim from unclaimed Suspense account, renewal / exchange of securities, sub-division / splitting of share certificates / consolidation of securities / folios, transmission and transposition shall be in dematerialized form only. After processing the service request, a letter of confirmation ('LC') will be issued to the shareholders. The said LC shall be valid for a period of 120 days, within which the shareholder would need to make a request to the Depository Participant for dematerializing those shares. If the shareholder fails to submit the request within 120 days, then the Company shall credit those shares in the Suspense Escrow Demat account of the Company. Shareholders can claim these shares transferred to Suspense Escrow Demat account on submission of necessary documentation. Transfer of shares in dematerialized form is done through the depositories with no involvement of the Company.
p)	**Reconciliation of Share Capital Audit Report**	As required under Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, the reconciliation of share capital audit report on the total admitted capital with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and the total issued and listed capital for each of the quarter in FY 2023-24 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.
q)	**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 Demat 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 confirms or rejects 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 March 31, 2024 about 99.98% of the equity shares issued by the Company were held in dematerialized form. The Company's equity shares are regularly traded on NSE and BSE, in dematerialized form. The Company's ISIN in NSDL and CDSL for Equity Shares is INE860A01027. 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.
r)	**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.

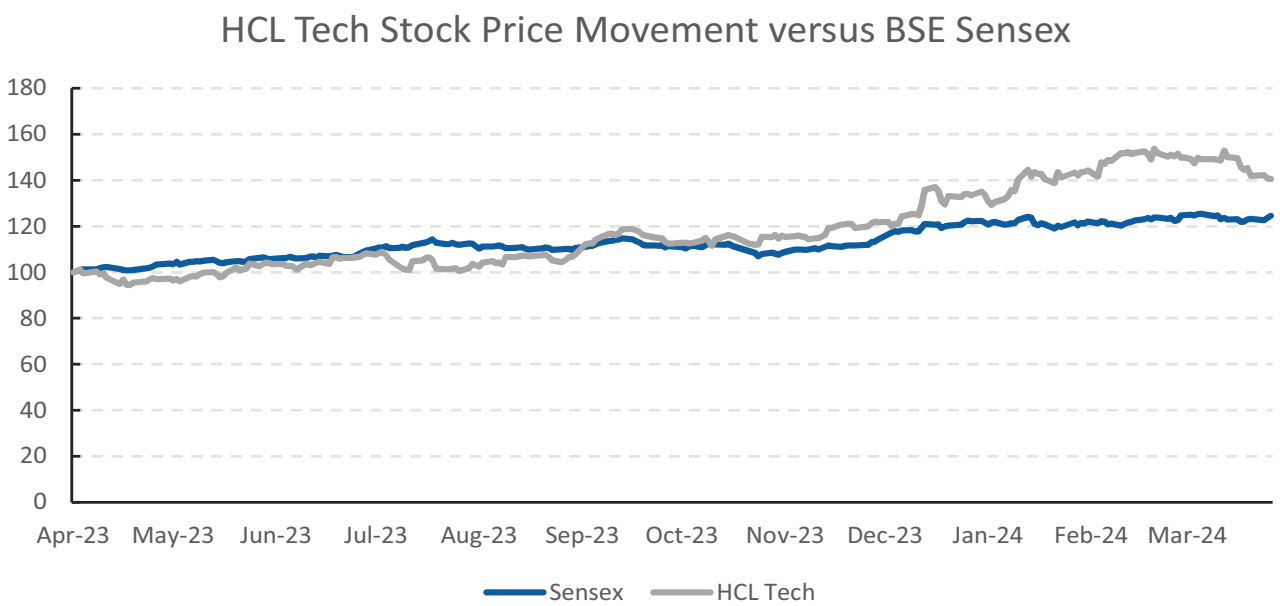
s)	**Commodity price risk or foreign exchange risk and hedging activities**	The Company does not deal in commodities and hence the disclosure pursuant to SEBI Master Circular dated July 11, 2023 is not required to be given. For details on foreign exchange risk and hedging activities, please refer to Management Discussion and Analysis Report which forms part of this Annual Report.
t)	**Compliance Certificate on the Corporate Governance from the Auditors**	The certificate dated April 26, 2024 obtained from the Statutory Auditors of the Company, M/s. B S R & Co. LLP, confirming compliance with the Corporate Governance requirements as stipulated under Schedule V read with Regulation 34(3) of the Listing Regulations, is enclosed as Annexure 2 to this Report

u) Stock Market Data

The details of the monthly high and low prices of the Equity Shares of the Company and its comparison to broad based indices BSE Sensex and NSE Nifty for period April 1, 2023 to March 31, 2024 are as follows:

Month	Share price on BSE			BSE-Sensex	
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)
April 2023	1,113.90	1,016.45	15,15,765	61,209.46	58,793.08
May 2023	1,153.35	1,048.00	20,90,162	63,036.12	61,002.17
June 2023	1,194.10	1,106.80	12,43,299	64,768.58	62,359.14
July 2023	1,202.70	1,087.75	16,17,663	67,619.17	64,836.16
August 2023	1,192.85	1,112.00	23,32,079	66,658.12	64,723.63
September 2023	1,311.00	1,171.05	15,67,527	67,927.23	64,818.37
October 2023	1,282.25	1,210.00	19,06,536	66,592.16	63,092.98
November 2023	1,346.75	1,250.55	14,72,941	67,069.89	63,550.46
December 2023	1,509.25	1,308.40	29,99,234	72,484.34	67,149.07
January 2024	1,617.65	1,417.35	35,49,971	73,427.59	70,001.60
February 2024	1,696.50	1,551.20	21,56,665	73,413.93	70,809.84
March 2024	1,683.00	1,507.50	23,85,714	74,245.17	71,674.42

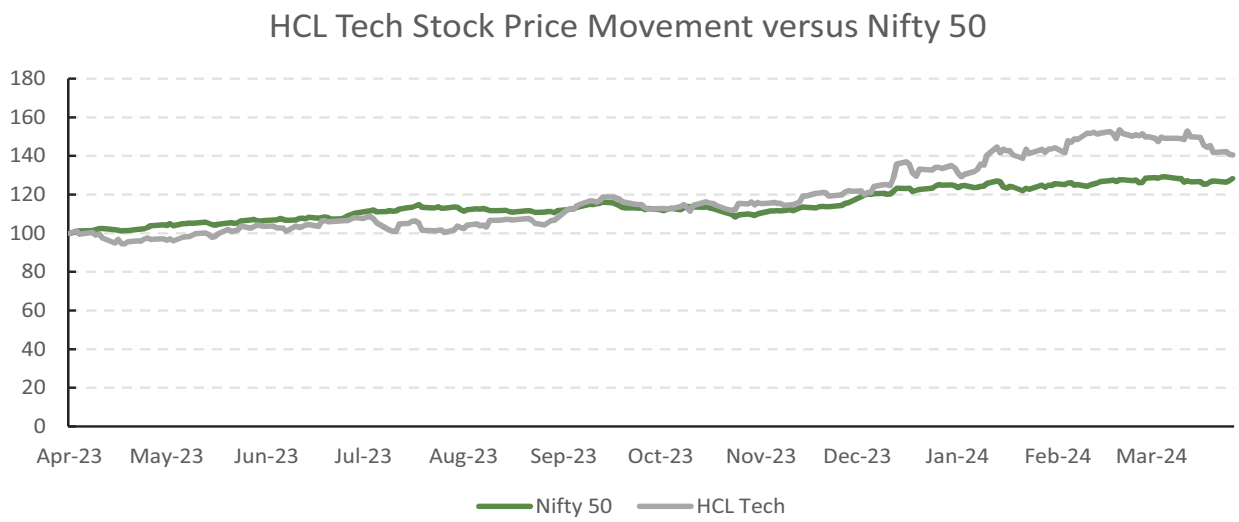
Source: This information is compiled from the data available from the website of BSE.



Note: HCL share price and Sensex values as on April 1, 2023 have been baselined to 100.

Month	Share Price on NSE			NSE-Nifty	
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)
April 2023	1,113.00	1,016.25	5,35,65,715	18,089.15	17,312.75
May 2023	1,153.35	1,048.30	4,43,99,585	18,662.45	18,042.40
June 2023	1,194.00	1,105.95	3,80,02,166	19,201.70	18,464.55
July 2023	1,202.60	1,087.05	6,92,18,168	19,991.85	19,234.40
August 2023	1,195.00	1,111.90	5,50,44,604	19,795.60	19,223.65
September 2023	1,311.30	1,171.10	4,70,92,480	20,222.45	19,255.70
October 2023	1,281.50	1,208.55	5,06,27,101	19,849.75	18,837.85
November 2023	1,346.80	1,250.65	3,86,17,412	20,158.70	18,973.70
December 2023	1,509.90	1,308.30	5,72,32,293	21,801.45	20,183.70
January 2024	1,619.60	1,417.15	7,19,48,873	22,124.15	21,137.20
February 2024	1,697.35	1,551.45	5,57,85,788	22,297.50	21,530.20
March 2024	1,683.00	1,508.20	5,59,69,973	22,526.60	21,710.20

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



Note: HCL share price and Nifty 50 values as on April 1, 2023 have been baselined to 100.

v) Shareholding as on March 31, 2024

i) Distribution of shareholding as on March 31, 2024

Number of Equity Shares held	No. of Shareholders	Shareholders (%)	No. of Shares	Shares (%)
1 – 500	8,59,129	96.94	3,68,16,814	1.36
501 – 1,000	13,762	1.55	1,01,46,958	0.37
1,001 – 2,000	5,863	0.66	85,09,520	0.31
2001-3000	1,835	0.21	45,30,928	0.17
3001-4000	903	0.10	32,18,280	0.12
4001-5000	577	0.07	26,40,405	0.10
5001-10,000	1,273	0.14	92,44,402	0.34
10,001 and above	2,929	0.33	263,85,57,789	97.23
Total	**8,86,271**	**100.00**	**271,36,65,096**	**100.00**

ii) Categories of equity shareholders as on March 31, 2024

Category	No. of Shares held	Voting strength %
Promoters	16,50,301,111	60.81
Foreign Portfolio Investors / Foreign Institutional Investors / Foreign Banks / Foreign Nationals	5,33,295,642	19.65
Mutual Funds	21,69,29,750	7.99
Alternate Investment Funds	40,91,362	0.15
Financial Institutions / Banks/ Insurance Companies / Provident or Pension Funds/ Sovereign Wealth Funds/ NBFCs registered with RBI	18,56,66,167	6.84
Non Institution (Resident Individual, HUF and Trust)	9,58,69,737	3.53
Bodies Corporate (Domestic)	7,709,484	0.28
NRIs / OCBs	1,37,54,380	0.51
Central Government/State Government(s)/President of India / Investor Education and Protection Fund	3,41,088	0.01
Clearing Members	31,796	0.00
Employee Trust (HCL Technologies Stock Options Trust)	56,74,579	0.21
Grand Total	**271,36,65,096**	**100.00**

w) Transfer of Unpaid / Unclaimed Dividend to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Section 124 of the Act, the dividend amounts which have remained unpaid or unclaimed for a period of seven years from the date of transfer to the unpaid dividend account 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. 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 the unclaimed dividend is transferred to the IEPF, the same can be claimed from the IEPF Authority after following the procedures prescribed in the IEPF Rules.

Year	Dividend Type	Date of Declaration	Dividend Amount/ per share (₹)	Due Date of transfer to IEPF
2017-2018	Interim	May 11, 2017	6.00	June 10, 2024
	Interim	July 27, 2017	2.00	August 26, 2024
	Interim	October 25, 2017	2.00	November 24, 2024
	Interim	January 19, 2018	2.00	February 18, 2025
2018-2019	Interim	May 2, 2018	2.00	June 1, 2025
	Interim	July 27, 2018	2.00	August 26, 2025
	Interim	October 23, 2018	2.00	November 22, 2025
	Interim	January 29, 2019	2.00	February 28, 2026
2019-2020	Interim	May 9, 2019	2.00	June 8, 2026
	Interim	August 7, 2019	2.00	September 6, 2026
	Interim	October 23, 2019	2.00	November 22, 2026
	Interim	January 17, 2020	2.00	February 16, 2027
	Final	September 29, 2020	2.00	October 29, 2027
2020-21	Interim	July 17, 2020	2.00	August 16, 2027
	Interim	October 16, 2020	4.00	November 15, 2027
	Interim	January 15, 2021	4.00	February 14, 2028
2021-22	Interim	April 23, 2021	16.00	May 23, 2028
	Interim	July 19, 2021	6.00	August 18, 2028
	Interim	October 14, 2021	10.00	November 13, 2028
	Interim	January 14, 2022	10.00	February 13, 2029

Year	Dividend Type	Date of Declaration	Dividend Amount/ per share (₹)	Due Date of transfer to IEPF
2022-23	Interim	April 21, 2022	18.00	May 21, 2029
	Interim	July 12, 2022	10.00	August 11, 2029
	Interim	October 12, 2022	10.00	November 11, 2029
	Interim	January 12, 2023	10.00	February 11, 2030
2023-24	Interim	April 12, 2023	18.00	May 12, 2030
	Interim	July 12, 2023	10.00	August 11, 2030
	Interim	October 12, 2023	12.00	November 10, 2030
	Interim	January 12, 2024	12.00	February 10, 2031
2024-25	Interim	April 26, 2024	18.00	May 25, 2031

The Company sends regular reminders to the shareholders to claim their dividends in order to avoid the transfer of dividends / shares to the IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the website of the Company and the weblink for the same has been provided at the end of this report.

x) Financial Calendar (tentative and subject to change)

Financial reporting for the first quarter ending June 30, 2024	2nd Week of July, 2024
Financial reporting for the second quarter and half year ending September 30, 2024	2nd/3rd Week of October, 2024
Financial reporting for the third quarter ending December 31, 2024	2nd/3rd Week of January 2025
Financial reporting for the fourth quarter and year ending March 31, 2025	3rd/4th Week of April 2025
AGM for the year ending March 31, 2025	July / August 2025

y. Address for Shareholders' correspondence

The Secretarial Department HCL Technologies Limited 2nd Floor, Corporate Towers, Plot No. 3A, Sector -126, Noida-201 304, UP, India Tel.: +91 120 4306000 Fax:- +91 120 4680330 E-mail ID: investors@hcltech.com	Link Intime India Private Limited (Unit: HCL Technologies Limited) C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai, Maharashtra - 400 083 Tel.: + 91 22 49186060, Toll Free: 1800 1020 878 E-mail: rnt.helpdesk@linkintime.co.in

z. Centres' Locations

The Company do not have any manufacturing plants but have development centers and offices in India and overseas. All the global locations including India locations are available on the website of the Company at https://www.hcltech.com/global-presence

38. COMPLIANCE WITH MANDATORY AND NON-MANDATORY REQUIREMENTS

The Listing Regulations provides certain mandatory requirements which have to be fulfilled by the Company. The Company has complied with all the mandatory requirements of the Listing Regulations. Specifically, the Company confirms compliance with corporate governance requirements as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

The Listing Regulations 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:

a) 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 of the Company and the weblink for the same has been provided at the end of this report.

The quarterly financial results are also published in English and Hindi daily newspapers.

b) Audit Qualifications

It is always the Company's endeavor to present unqualified financial statements.

c) Separate posts of Chairperson and CEO

The positions of the Chairperson and the CEO are held by separate individuals. Ms. Roshni Nadar Malhotra, Non-Executive Director is the Chairperson of the Company and Mr. C. Vijayakumar is the CEO and Managing Director of the Company. The Chairperson and the CEO are not related to each other.

d) Reporting of Internal Auditor

The internal auditor reports directly to the Audit Committee of the Company.

39. PARTICULARS OF SENIOR MANAGEMENT OF THE COMPANY

The name and designation of the Senior management persons of the Company as on March 31, 2024 are given below::

S. No.	Name	Designation
1.	Prateek Aggarwal	Chief Financial Officer
2.	Rahul Singh	Chief Operating Officer- Corporate Functions
3.	Ramachandran Sundararajan	Chief People Officer
4.	Vijay Anand Guntur	Chief Technology Officer & Head of Ecosystems
5.	Manish Anand	Company Secretary

The details of the changes in Senior Management during the period under review are as follows:

S. No.	Name	Designation	Remarks
1.	Appa Rao V	Chief Delivery Officer – Nearshore & New Vistas locations	Resigned w.e.f. November 22, 2023
2.	Anand Birje	Head of Digital Business Services	Resigned w.e.f. May 05, 2023

40. LIST OF WEBLINKS REFERRED IN DIRECTORS' REPORT AND CORPORATE GOVERNANCE REPORT

Particulars	Website Link
Annual Return	https://www.hcltech.com/investor-relations/annual-reports
Anti-Bribery and Anti-Corruption Policy	https://www.hcltech.com/investors/governance-policies/abacpdf
Archival Policy	https://www.hcltech.com/investors/governance-policies/preservationofdocspolicypdf
Board Diversity Policy	https://www.hcltech.com/investors/governance-policies/diversitypolicy
Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information ('Fair Disclosure Code')	https://www.hcltech.com/investors/governance-policies/fair-disclosure-codepdf
Corporate Social Responsibility Policy	https://www.hcltech.com/investors/governance-policies/csrpolicypdf
Code of Business Ethics and conduct	https://www.hcltech.com/investors/governance-policies/cobecpdf
Details of unclaimed dividends and shares liable to be transferred to IEPF	https://www.hcltech.com/investors/iepf-details
Dividend Distribution Policy	https://www.hcltech.com/investors/governance-policies/ddppdf
Financial Results	https://www.hcltech.com/investors/results-reports
Financial Statements of Subsidiaries	https://www.hcltech.com/investors/subsidiaries-financials
Familiarization Programme for Independent Director	https://www.hcltech.com/investors/governance-policies/familarizationprogidpdf
Investors' Section	https://www.hcltech.com/investors
Letter of Appointment of Independent Director	https://www.hcltech.com/investors/governance-policies/loaidspdf

Particulars	Website Link
Policy on Related Party Transactions	https://www.hcltech.com/investors/governance-policies/rptpolicypdf
Policy for determining Material Subsidiary	https://www.hcltech.com/investors/governance-policies/materialsubsidiarypolicypdf
Policy for Determination of Materiality of Events or Information	https://www.hcltech.com/investors/governance-policies/determinationofmaterialityofeventspolicypdf
Remuneration Policy	https://www.hcltech.com/investors/governance-policies/rempolicypdf
Transcripts of Earnings Calls	https://www.hcltech.com/investors/results-reports
Whistleblower Policy	https://www.hcltech.com/investors/governance-policies/whistleblowerpolicypdf

ANNEXURE - 1

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of HCL Technologies Limited having CIN L74140DL1991PLC046369 and registered office at 806, Siddharth, 96, Nehru Place, New Delhi-110019 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and declarations received from respective Directors. We hereby certify that as on Financial Year ended on March 31, 2024 none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S.No.	Name of Director(s)	Director Identification Number	Original Date of Appointment in the Company
1	Ms. Bhavani Balasubramanian	09194973	12/01/2024
2	Mr. Deepak Kapoor	00162957	26/07/2017
3	Mr. Subramanian Madhavan	06451889	15/01/2013
4	Dr. Mohan Chellappa	06657830	06/08/2019
5	Ms. Nishi Vasudeva	03016991	01/08/2016
6	Mr. Srinivasan Ramanathan	00575854	19/04/2011
7	Ms. Robin Ann Abrams	00030840	13/09/1999
8	Ms. Roshni Nadar Malhotra	02346621	29/07/2013
9	Mr. Shikhar Neelkamal Malhotra	00779720	22/10/2019
10	Mr. Simon John England	08664595	16/01/2020
11	Dr. Sosale Shankara Sastry	05331243	24/07/2012
12	Mr. Thomas Sieber	07311191	17/10/2015
13	Ms. Vanitha Narayanan	06488655	19/07/2021
14	Mr. Vijayakumar Chinnaswamy	09244485	20/07/2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Chandrasekaran Associates
Company Secretaries
FRN: P1988DE002500
Peer Review Certificate No.: 4186/2023

Dr. S. Chandrasekaran
Senior Partner
Membership No. F1644
Certificate of Practice No. 715
UDIN: F001644F000220104

Date: April 26, 2024
Place: Delhi

ANNEXURE - 2

INDEPENDENT AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

TO THE MEMBERS OF HCL Technologies Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 18 December 2019.

2. We have examined the compliance of conditions of Corporate Governance by HCL Technologies Limited ("the Company"), for the year ended 31 March 2024, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. 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.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2024.

6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance, both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. 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 Regulations.

9. We 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.

Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

Rakesh Dewan
Partner
Membership No:092212
UDIN:24092212BKFADW7775

Place: Gurugram
Date: 26 April, 2024

DECLARATION BY CHIEF EXECUTIVE OFFICER PURSUANT TO REGULATION 34(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, Roshni Nadar Malhotra, Chairperson and C. Vijayakumar, Chief Executive Officer & Managing Director 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 website.

We, further confirm that the Company has in respect of the financial year ended March 31, 2024, received from its Board members as well as senior management personnel affirmation as to compliance with the Code of Conduct.

Roshni Nadar Malhotra
Chairperson
DIN: 02346621

C. Vijayakumar
Chief Executive Officer & Managing Director
DIN: 09244485

Place: Noida (U.P.), India
Date: April 26, 2024

CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) PURSUANT TO REGULATION 17(8) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

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 March 31, 2024 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 that 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 and that there is no involvement of the management or employee having a significant role in the Company's internal control system over financial reporting.

Roshni Nadar Malhotra
Chairperson
DIN: 02346621

C. Vijayakumar
Chief Executive Officer & Managing Director
DIN: 09244485

Prateek Aggarwal
Chief Financial Officer

Goutam Rungta
Corporate Vice President- Finance

Place: Noida (U.P.), India
Date: April 26, 2024

Business Responsibility and Sustainability Reporting (BRSR)- HCLTech

BRSR Statement of Director

Dear Stakeholders,

We are pleased to share our Business Responsibility and Sustainability Report ("BRSR") for the fiscal year spanning April 1, 2023, to March 31, 2024 (FY24). We have engaged DNV Business Assurance India Private Limited ("DNV") to provide independent reasonable assurance of our BRSR Core indicators and limited assurance on all the other disclosures. The assurance statement is also enclosed as part of our annual report.

At HCLTech, we consider reporting on sustainability to be a transparent way to engage with our stakeholders by sharing with them the progress we are making through our initiatives. We understand the profound impact of our actions today on the future, and thus, sustainability is not merely a concept, but a guiding principle deeply entrenched within our organizational ethos. We reaffirm our steadfast dedication to sustainability values and ethics. HCLTech has meticulously established clear and measurable objectives on our material ESG aspects, complemented by holistic strategies aimed at not just reducing the negative footprint, but expanding the positive impact. The progress of the company across the ESG dimensions is validated by the recognitions through various agencies.

- Leadership band rating by **CDP** on climate action
- Recognized among the World's Most Ethical Companies® 2024 by **Ethisphere**
- Continues to receive top ratings from prominent ESG rating agencies such as **MSCI, Sustainalytics**, and **S&P**.
- Five of our major campuses in India were recognized from The British Safety Council and awarded with ‘International Safety Awards’

The Environmental, Social and Governance ("ESG") & Diversity, Equity and Inclusion ("DEI") committee of the board met on four occasions during FY24 to review and evaluate the performance on material aspects against our stated objectives. In alignment to the GHG emission reduction targets, the company has achieved 25% reduction on absolute emissions as compared to baseline year of FY20. Even when the employee footprint to office increased, the company has achieved reductions on water consumption and waste generation. The initiatives by the company on improving diversity among the workforce is also showing improved outcomes.

These accomplishments were possible by the methodical execution by the respective teams and adequate resource allocation and responsible direction from the leadership. A system of internal audits covering all ESG disclosures was implemented by HCLTech in response to committee recommendations, and the audit findings were reviewed by the board’s Audit Committee.

Looking ahead to the forthcoming year, let us reinvigorate our commitment to HCLTech’s sustainability and ESG objectives and goals. HCLTech shall persevere in its pursuit of innovation, collaboration, and exemplary conduct, demonstrating unequivocally our commitment and responsibility to collaborate with the right stakeholders towards a sustainable future.

I extend my heartfelt gratitude for your unwavering support to our collective vision of a sustainable future and gladly anticipate your feedback on the BRSR.

Robin Abrams
Chairperson – ESG & DEI Committee

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	**Corporate Identity Number (CIN) of the Listed Entity**	L74140DL1991PLC046369
2.	**Name of the Listed Entity**	HCL Technologies Limited
3.	**Year of incorporation**	1991
4.	**Registered office address**	806, Siddharth, 96, Nehru Place, New Delhi - 110019, India
5.	**Corporate Address**	HCL Technology Hub, SEZ, Plot No. 3A, Sector 126, Noida - 201304, U.P., India
6.	**E-mail**	investors@hcltech.com
7.	**Telephone**	+91-120-4306000
8.	**Website**	www.hcltech.com
9.	**Financial year for which reporting is being done**	2023-24
10.	**Name of the Stock Exchange(s) where shares are listed**	National Stock Exchange of India Limited ("NSE") BSE Limited ("BSE")
11.	**Paid-up capital**	The paid-up equity share capital of HCL Technologies Limited as on March 31, 2024 is ₹ 542,73,30,192/- comprising of 271,36,65,096 equity shares of face value of ₹ 2/- each.
12.	**Name and contact details of the person who may be contacted in case of any queries on the BRSR report**	Mr. Santhosh Jayaram Global Head - Sustainability santhosh.jayaram@hcltech.com
13.	**Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**	Disclosures made in this report are on a consolidated basis unless otherwise stated
14.	**Name of assurance provider**	DNV Business Assurance India Private Limited ("DNV")
15.	**Type of assurance obtained**	Reasonable Assurance on Core Indicators and Limited Assurance on selected other indicators.

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of the Main Activity	Description of the Business Activity	% of turnover of the entity
1	Information and Communication (Revenue from Operations)	Computer programming, consultancy, and related activities	100%

17. Products/services sold by the entity (accounting for 90% of the entity's turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	IT & Business Services ("ITBS") - The ITBS business segment improves consumer and employee experiences by empowering multinational corporations to conduct business transformation in an agile and sustainable way. It makes up the largest component of HCLTech's total revenue mix consisting of 4 segments: Digital Business Services, Digital Foundation Services, Digital Process Operations and EdTech Business Services	Services are broadly mapped to NIC classes 620 and 631	72.95%
2	Engineering and R&D Services ("ERS") - Engineering services and solutions in all aspects of product development and platform engineering.		16.56%
3	HCL Software - Provision of modernized software products to global clients for their technological and industry-specific requirements.		10.49%
	Total		**100.00%**

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Plants	Number of offices	Total
National	Not Applicable	53	53
International	Not Applicable	226	226

19. Markets served by entity

a. Number of locations

Locations	Number
National (No. of states)	12
International (No. of countries)	54

b. What is the contribution of exports as a percentage of the total turnover of the entity?

What is the contribution of exports as a percentage of the total turnover of the entity?	93%

Note: This is for HCL Technologies Ltd. (Standalone Entity)

c. A brief on types of customers

HCLTech focuses on empowering people through digital transformation and technological advancements. It targets G2000 enterprises, including private and government-owned entities as its potential clients, and provides digital solutions to a vast client universe spanning across various industries and sectors. The company provides digital automation and technological innovation solutions for traditional banking firms. The company serves leading life sciences and healthcare companies, including 10 of the top 20 pharmaceutical companies and seven leading medical device firms. In the public services sector, the company caters to a wide array of clients including energy companies, mining and natural resource firms, oil and gas ventures, travel and transport, logistics, and hospitality. In consumer services, HCLTech serves clients in retail, media, entertainment, and telecom sectors, and serves various manufacturing industry sectors such as aerospace, defense, automotive sectors.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (C)	% (C / A)
Employees								
1.	Permanent (D)	227,481	160,982	70.77%	66,268	29.13%	231	0.10%
2.	Other than permanent (E)	9,767	7,437	76.14%	2,238	22.91%	92	0.94%
	Total employees (D + E)	**237,248**	**168,419**	**70.99%**	**68,506**	**28.88%**	**323**	**0.14%**

Notes:

Disclosing gender is voluntary for HCLTech employees. The employees who have not disclosed their gender are categorized as 'Others'.

The entire workforce of HCLTech is categorized as 'Employees' and none as 'Workers'. Therefore, the information required in all sections in the 'Workers' category is not applicable to HCLTech.

b. Differently abled employees and workers

S. No	Particulars	Total (A)	Male		Female		Others	
			No. (B)	% (B / A)	No.(C)	% (C / A)	No. (C)	% (C / A)
Differently abled employees								
1.	Permanent (D)	736	541	73%	191	26%	4	1%
2.	Other than permanent (E)	5	3	60%	2	40%	0	0%
	Total differently abled employees (D + E)	**741**	**544**	**73%**	**193**	**26%**	**4**	**1%**

21. Participation/ inclusion/ representation of women

Particulars	Total (A)	No. and % of females	
		No. (B)	% (B / A)
Board of Directors	14	5	35.71
Key Management Personnel	3	0	0

22. Turnover rate for permanent employees

	FY 2023-24 (Turnover rate in current FY)				FY 2022-23 (Turnover rate in previous FY)				FY 2021-22 (Turnover rate in the year prior to the previous FY)			
	Male	Female	Others	Total	Male	Female	Others	Total	Male	Female	Others	Total
Permanent Employees	12.32%	12.72%	7.71%	12.42%	19.83%	18.60%	15.67%	19.50%	21.87%	22.05%	31.67%	21.92%

Notes:

Attrition data provided by HCLTech is voluntary attrition % (LTM – IT Services)

Disclosing gender is voluntary for HCLTech employees. The employees who have not disclosed their gender are categorized as 'Others'.

V. Holding, subsidiary, and associate companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

Details of Holding, Subsidiary and Associate Companies (including joint ventures) are provided in Directors' Report, which forms part of the Annual Report.

All the entities indicated participate in the preparation of BRSR of the listed entity.

VI. CSR details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013 – Yes
(ii) Turnover (in Crores) – ₹ 48,118 (as per Standalone financial statements)
(iii) Net worth (in Crores) – ₹ 39,480 (as per Standalone financial statements)

VII. Transparency and disclosures compliances

25. Complaints/grievances on any of the principles (principles 1 to 9) under the National Guidelines on Responsible Business Conduct (NGBRC):

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If Yes, then provide web-link for grievance redress policy	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Community / Non-Governmental Organizations (NGOs)/ Government Authorities/ Project Staff from the CSR	Yes https://www.hcltech.com/corporate/corporate-social-responsibility-policy	0	0	Nil	0	0	Nil
Investors (other than Shareholders)	Yes https://www.hcltech.com/investor-relations/investor-faq	0	0	Nil	0	0	Nil
Shareholders	Yes https://www.hcltech.com/investor-relations/investor-faq	15	0	Nil	20	0	Nil
Employees and Workers	Yes https://www.hcltech.com/corporate/grievance-redressal-protocol https://www.hcltech.com/corporate/human-rights-policy https://www.hcltech.com/corporate/whistleblower-policy	30	17	Nil	53	32	Nil

Stakeholder group from whom the complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If Yes, then provide web-link for grievance redress policy	FY 2023-24			FY 2022-23		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Customers	https://www.hcltech.com/corporate/whistleblower-policy	3	2	Nil	1	0	Nil
Value chain partners	Yes https://www.hcltech.com/corporate/supplier-code-conduct https://www.hcltech.com/corporate/whistleblower-policy	1	1	Nil	Nil	Nil	Nil
Others- (Anonymous Complaints)	Yes https://www.hcltech.com/corporate/grievance-redressal-protocol	50	32	Nil	66	27	Nil

Note: During FY 2022-23, 54 whistleblower complaints have been filed by employees. Additionally, 66 anonymous complaints were also received. During FY 2023-24, 30 whistleblower complaints have been filed by employees. Additionally, 50 anonymous complaints were also received.

26. Overview of the entity's material responsible business conduct issues.
Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Details of Company's material issues and associated risks and opportunities is available in Sustainability Report 2024, Section 'Stakeholder Engagement'.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC principles and core elements.

Disclosure questions	P1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web-link of the policies, if available.	P1: Code of Business Ethics and Conduct: https://www.hcltech.com/corporate/code-of-business-ethics-and-conduct-codec Anti-Bribery & Anti-Corruption policy: https://www.hcltech.com/corporate/anti-bribery-and-anti-corruption-policy-abac Whistleblower Policy: https://www.hcltech.com/investors/governance-policies/whistleblowerpolicypdf HCL Group Tax Strategy: https://www.hcltech.com/sites/default/files/HCLGroupTaxStrategyFY22.pdf								

c. Web-link of the policies, if available.	P2: Supplier Code of Conduct: https://www.hcltech.com/corporate/supplier-code-conduct Code of Business Ethics and Conduct: https://www.hcltech.com/corporate/code-of-business-ethics-and-conduct-codec Environmental Sustainability Policy: https://www.hcltech.com/sites/default/files/documents/sustainability/EMS-Policy-2022.pdf Occupational Health & Safety Policy: https://www.hcltech.com/sites/default/files/documents/sustainability/OHS-Policy-2022.pdf
	P3: Supplier Code of Conduct: https://www.hcltech.com/corporate/supplier-code-conduct Code of Business Ethics and Conduct: https://www.hcltech.com/corporate/code-of-business-ethics-and-conduct-codec Occupational Health & Safety Policy: https://www.hcltech.com/sites/default/files/documents/sustainability/OHS-Policy-2022.pdf Whistleblower Policy: https://www.hcltech.com/investors/governance-policies/whistleblowerpolicypdf Remuneration Policy: https://www.hcltech.com/investors/governance-policies/rempolicypdf HCL Group Tax Strategy: https://www.hcltech.com/sites/default/files/HCLGroupTaxStrategyFY22.pdf Human Rights Policy: https://www.hcltech.com/sites/default/files/documents/inline-migration/human-rights-policy.pdf
	P4: Dividend Distribution Policy: https://www.hcltech.com/sites/default/files/dividend_distribution_policy.pdf Policy for determination of materiality of event or information: https://www.hcltech.com/investors/governance-policies/determinationofmaterialityofeventspolicypdf Related Party Policy: https://www.hcltech.com/investors/governance-policies/rptpolicypdf Fair Disclosure Code: https://www.hcltech.com/investors/governance-policies/fair-disclosure-codepdf Code of Business Ethics and Conduct: https://www.hcltech.com/corporate/code-of-business-ethics-and-conduct-codec Whistleblower Policy: https://www.hcltech.com/investors/governance-policies/whistleblowerpolicypdf
	P5: Human Rights Policy: https://www.hcltech.com/sites/default/files/documents/inline-migration/human-rights-policy.pdf Code of Business Ethics and Conduct: https://www.hcltech.com/corporate/code-of-business-ethics-and-conduct-codec
	P6: Environmental and Sustainability Policy: https://www.hcltech.com/sites/default/files/document/open/EMSPolicy-2023.pdf Energy Policy: https://www.hcltech.com/sites/default/files/documents/sustainability/EnMS-Policy-2022.pdf Occupational Health & Safety Policy: https://www.hcltech.com/sites/default/files/documents/sustainability/OHS-Policy-2022.pdf Supplier Code of Conduct: https://www.hcltech.com/corporate/supplier-code-conduct

	P7: Code of Business Ethics and Conduct: https://www.hcltech.com/investors/governance-policies/cobecpdf Anti-Bribery & Anti-Corruption policy: https://www.hcltech.com/investors/governance-policies/abacpdf								
	P8: CSR Policy: https://www.hcltech.com/investors/governance-policies/csrpolicypdf Supplier Code of Conduct: https://www.hcltech.com/corporate/supplier-code-conduct								
	P9: Code of Business Ethics and Conduct: https://www.hcltech.com/corporate/code-of-business-ethics-and-conduct-codec Anti-Bribery & Anti-Corruption policy: https://www.hcltech.com/corporate/anti-bribery-and-anti-corruption-policy-abac Privacy Statement: https://www.hcltech.com/privacy-statement Privacy Trust Center: https://www.hcltech.com/privacy-trust-center								
2. Whether the entity has translated the policy into procedures (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes / certifications / labels / standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle	**Principle 1:**	ISO 37001:2022 Ethisphere recognizes HCLTech amongst 2024 World's Most Ethical Companies®							
	Principle 2:	ISO 14001:2015 ISO 50001:2018 ISO 9001:2015							
	Principle 3:	ISO 37001:2022 ISO 45001:2018 ISO 14001:2015 ISO 14064-1:2018 and 14064-3:2019 ISO 50001:2018 ISO 9001:2015 ABMS ISO 37001-2016 LEED Certification Great Place to Work							
	Principle 4:	ISO 9001:2015							
	Principle 5:	Signatory to UNGC Founding Member-WEF's Global Parity Alliance on DE&I Certified as a Global Top Employer Included in the Bloomberg Gender-Equality Index ("GEI")							
	Principle 6:	ISO 37001:2022 ISO 45001:2018 ISO 14001:2015 ISO 50001:2018 ISO 9001:2015 ABMS ISO 37001-2016 LEED Certification ISO 14064-1:2018 and 14064-3:2019							
	Principle 7:	Signatory to UNGC ISO 37001-2016							
	Principle 8:	HCL Foundation felicitated by UP government for its impactful work in the state at UPGIS (Feb)							
	Principle 9:	ISO 27001:2013							

5. Specific commitments, goals and targets set by the entity with defined timelines, if any	(a) Improving the ESG Knowledge and Skills of the employees. (b) Improving the gender diversity in workforce with 40% Women by 2030. (c) Increase gender representation in senior leadership levels to 30% by 2030. (d) Being recognized among the best employers in our key operating geographies. (e) Achieve Net Zero by 2040. (f) 50% reduction in absolute Scope 1 and 2 emissions by FY30 from baseline year of FY20. (g) 80% of electricity usage to be from renewable energy by 2030. (h) 42% reduction in absolute Scope 3 emission by FY30 from baseline year of FY20. (i) Maintain Zero Discharge from all owned facilities. (j) Achieve zero waste to landfill at all owned facilities by FY25. (k) Strengthening the sustainable supply chain process. (l) Being recognized among industry leaders for information security practices and data privacy standards.
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met	Details on performance against the Company commitments are available in the Sustainability Report 2024.
Governance, leadership, and oversight	
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure) The Statement is available at the beginning of the BRSR section.	
8. Details of the highest authority responsible for implementation and oversight of the business responsibility policy/policies	The highest executive authority responsible for the implementation of the policies is the CEO & Managing Director – Mr. C. Vijayakumar.
9. Does the entity have a specified committee of the Board/ Director responsible for decision-making on sustainability-related issues? (Yes / No). If yes, provide details.	Yes, the Company has an ESG & DEI Committee of the Board. The members of the ESG & DEI Committee are: • Ms. Robin Ann Abrams (DIN 00030840) Independent Director Chairperson of the Committee • Ms. Roshni Nadar Malhotra (DIN 02346621) Non-Independent Director Chairperson of HCL Technologies Limited • Mr. Simon John England (DIN 08664595) Independent Director Mr. C. Vijayakumar, CEO & Managing Director, is an invitee to this Committee.

10. Details of review of NGRBCs by the company:

Subject for review	Indicate whether the review was undertaken by Director/ committee of the board/ any other committee
Performance against above policies and follow up action	Yes, the ESG & DEI Committee reviews the performance.
Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)	Quarterly
Compliance with statutory requirements of relevance to the principles, and the rectification of any non-compliances	Yes
Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)	Quarterly

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide the name of the agency.	Yes, • Reasonable Assurance of BRSR (core indicators) and Limited Assurance of BRSR (non-core and Sustainability Report: DNV) • External ISO 37001-2016 certification annual audit by BSI • Gap Assessment SA 8000: Bureau Veritas • Global Top Employer Assessment: Top Employers Institute • External ISO 14001 annual audit by BSI Management Systems • External ISO 45001 annual audit by BSI Management Systems • Independent assessment on Human Rights policies by Bureau Veritas • External ISO 27001 annual audit by Bureau Veritas • External ISO 27701 annual audit by Bureau Veritas • External ISO 22301 annual audit by Bureau Veritas • External SOC 2 attestation by Grant Thornton • Cyber Essential Plus by Sophlee Limited • Pricewaterhouse Coopers (PwC): Impact assessment of CSR projects • All HCLTech campuses LEED "Platinum" certified by USGBC or IGBC. In addition, our policies undergo regular evaluation. For instance, HCLTech's Business Gift and Entertainment Policy ("BGEP") and Anti-Money Laundering Policy ("AML") were reviewed by DLA Piper to be in line with current industry standards. HCLTech's procurement policy was reviewed by PwC to ensure integration of sustainability related aspects.

12. If answer to question (1) above is "No" i.e., not all principles are covered by a policy, reasons to be stated: Not Applicable

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally, and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is ethical, transparent, and accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	% of persons in respective category covered by the awareness programmes
Board of directors	1	1. Global Regulator Expectations for Compliance 2. US: ABAC and AML Enforcement Trends 3. India: ABAC and AML Enforcement Trends 4. UK and EU: ABAC and AML Enforcement Trends 5. Best Practices to Mitigate Risk	100%
Key managerial personnel	1	1. Making ethical decisions. 2. Your ethical leadership capabilities 3. Cash, gifts, and entertainment risks 4. Building a speak-up culture 5. Responding to employee concerns 6. What matters to you 7. Tell us how you feel	100%
Employees other than BoD and KMPs	5	1. Business ethics 2. What is workplace conduct 3. What is fraud 4. What Are Bribery and Corruption? 5. Cash, gifts and entertainment risks 6. Conflict of Interest 7. What is money laundering 8. Anti-trust 9. Speaking up	94%

Above table covers only mandatory trainings.

2. **Details of fines/penalties/punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as disclosed on the entity's website):**

   Nil

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision are preferred in cases where monetary or non-monetary action has been appealed.**

   Not Applicable

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web link to the policy.**

   Yes, HCLTech has a Code of Business Ethics and Conduct ("COBEC"), Anti-Bribery & Anti-Corruption policy ("ABAC") in place. The policies and codes apply to all individuals working worldwide for all affiliates and subsidiaries of HCLTech at all levels and grades. It covers giving and offering of bribes, and bribing of government officials, facilitation payments, charitable donation, political activities. Foreign Corrupt Practices Act ("FCPA") & UK Bribery Act ("UKBA") are the governing legislations of this policy. The Anti-Bribery & Anti-Corruption ("ABAC") policy can be accessed on the company's website through this https://www.hcltech.com/corporate/anti-bribery-and-anti-corruption-policy-abac.

   HCLTech has also obtained ISO 37001-2016 certification for its Anti-Bribery Management Systems (or "ABMS"), which combat corruption and bribery. The certificate may be accessed through this link: https://hcltech.com/corporate-certifications The company also conducts ABMS Quarterly Compliance Certification ("QCC"), allowing for the disclosure of different tasks that occurred during the previous quarter.

   Furthermore, the Company also offers a channel: whistleblower@hcltech.com and Global Ethics Helpline reporting system for employees based in Germany and the Netherlands to raise and report their concerns, which also ensures confidentiality. The company is subject to yearly internal and external audits carried out by other organizations for anti-bribery and anti-corruption.

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption**.

	FY 2023-24	FY 2022-23
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. **Details of complaints with regard to conflict of interest:**

	FY 2023-24		FY 2022-23	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of conflict of interest of the directors	Nil	Not Applicable	Nil	Not Applicable
Number of complaints received in relation to issues of conflict of interest of the KMP's	Nil	Not Applicable	Nil	Not Applicable

7. **Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

   Not applicable, since there were no issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest at HCL Tech.

8. **Number of days of accounts payable (Accounts payable *365/Cost of goods/services procured) In the following format.**

	FY 2023-24	FY 2022-23
Number of Days of account Payable	40.4	39.2

   Note: Computed excluding provisions

9. Open-ness of Business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along with loans and advances and investment, with related parties, in the following format:

Parameters	Metrics	FY 2023-24	FY 2022-23
Concentration of purchase	a) Purchase from trading houses as % of total purchase	Not Applicable	Not Applicable
	b) Number of trading houses where purchases are made from	Not Applicable	Not Applicable
	c) Purchases from top 10 trading houses as % of total purchase from trading houses	Not Applicable	Not Applicable
Concentrations of sales	a) Sales to dealers/ distributors as % of total sales	4.03%	3.97%
	b) Number of dealers/distributors to whom sales are made	1,635	1,762
	c) Sales to top 10 dealers/distributers as % of total sales to dealers/distributors	28.27%	27.84%
Share of RPTs in	a) Purchases (purchases with related parties/total purchase)	0.14%	0.13%
	b) Sales (Sales to related parties/total sales)	0.02%	0.00%
	c) Loans and advances (Loans and advances with related parties/total Loans and advances)	0.00%	0.00%
	d) Investments (Investments to related parties/total Investments made)	0.00%	0.00%

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the principles during the financial year:

Total number of awareness programmes held	Topics/principles covered under the training	% of value chain partners covered (by value of business done with such partners) under the awareness programmes
1,293	Topics covered includes risk assessment & work permit system awareness, awareness on electrical safety, LOTO (Lockout-Tagout) system, energy consumption & conservation, chemical safety & MSDS awareness, fire safety, emergency preparedness & evacuation procedure awareness, awareness on incident reporting & management, awareness on QHSEE Policy- objectives & targets, awareness on Legal compliances, awareness on power tools safety, PPE & its Importance, waste management, working at height, slip-trip- fall & ergonomics awareness, confined space & lone working awareness, safe driving / road safety, energy conservation, environmental impacts.	100% of high risk value chain partners are covered.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.

Yes. The Company receives from the members of the Board, a list of entities in which they are interested, at the beginning of every financial year and as and when there is any change in such interest. It is ensured that the requisite approvals as required under the statute as well as the Company's policies are in place before transacting with such entities. Further, the Company has adopted the Code of Business Ethics and Conduct which requires that the Directors of the Company shall avoid any activity or association that creates or appears to create a conflict between the personal interests of the Directors and the business interests of the Company.

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe.

Essential Indicators

1. Percentage of R&D and capital expenditure (CAPEX) investments in specific technologies to improve product and processes' environmental and social impacts to total R&D and capex investments made by the entity, respectively.

	FY 2023-24 (₹ in Crore)	FY 2022-23 (₹ in Crore)	Details of improvements in environmental and social impacts
R&D	(1,651) 100%	(1,632) 100%	R&D investments are made to enhance the effectiveness of our products and services, as well as to develop new ones. Upgrading legacy codes improves performance efficiency, resulting in environmental benefits. Additionally, we strive to improve our products to provide better security and privacy.
Capex	(1,048) 100%	(1,661) 100%	Our capex primarily focusses on infrastructure, which improves our energy efficiency and accessibility through better equipment and buildings.

2. a) **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes

HCLTech offers a supplier onboarding approach that is based on sustainability. The company does have a sustainability due-diligence process while onboarding new vendors. The company also have a sustainability risk assessment conducted annually on every category of purchase. Based on the risk criteria, the company has also started a supplier assessment on sustainability parameters and a feedback programme to improve awareness and sustainability performance of vendors.

b) **If yes, what percentage of inputs were sourced sustainably?**

The company has implemented a robust procedure to onboard suppliers based on sustainability parameters, ensuring that all new vendors undergo HCLTech's comprehensive Vendor Due Diligence process, which includes sustainability considerations. Additionally, HCLTech has initiated supply chain sustainability risk assessments and is conducting sustainability evaluations of selected vendors. As a result, our sustainable sourcing program now encompasses 100% of the company's suppliers.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

Not Applicable to HCLTech as the Company does not engage in any product manufacturing activities.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the EPR plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.**

Not Applicable to HCLTech as the Company does not engage in any product manufacturing activities.

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of product / service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by an independent external agency (Yes/No)	Results communicated in the public domain (Yes/No) If yes, provide the web-link.
Not Applicable to HCLTech as the Company does not engage in any product manufacturing activities.					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of product / service	Description of the risk/concern	Action taken
Not Applicable to HCLTech as the Company does not engage in any product manufacturing activities.		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or reused input material to total material	
	FY 2023-24	FY 2022-23
Not Applicable to HCLTech as the Company does not engage in any product manufacturing activities.		

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.**

Not Applicable to HCLTech as the Company does not engage in any product manufacturing activities.

5. **Reclaimed products and their packaging materials (as a percentage of products sold) for each product category.**

Not Applicable to HCLTech as the Company does not engage in any product manufacturing activities.

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. Details of measures for the well-being of employees.

Category	% of employees covered by										
	Total (A)	Health insurance*		Accident insurance		Maternity benefits		Paternity benefits		Day care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	160,982	160,982	100%	160,982	100%	NA	NA	160,982	100%	-	-
Female	66,268	66,268	100%	66,268	100%	66,268	100%	NA	NA	-	-
Others	231	231	100%	231	100%	NA	NA	NA	NA	-	-
Total	**227,481**	**227,481**	**100%**	**227,481**	**100%**	**66,268**	**100%**	**160,982**	**100%**	**-**	**-**

Note: * Health insurance includes ESIC coverage

We provide onsite, proximity and network childcare support options for our employees in India, based on their preference.

C. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

	FY 2023-24	FY 2022-23
Cost incurred on well-being measures as a % of total revenue of the company.	1.93%	1.62%

The table presents cumulative percentage of country-specific expenditures associated with employee insurance, including life, health, and other insurance, as well as the amounts spent for employee health checkups.

2. Details of retirement benefits for Current Financial Year and Previous Financial Year

Benefits	FY 2023-24			FY 2022-23		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	NA	Y	100%	NA	Y
Gratuity	100%	NA	Y	100%	NA	Y
ESI	9.06%	NA	Y	10.88%	NA	Y
Others – please specify	-	-	-	-	-	-

Note: India employee headcount has been considered for the table above.

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

People with disabilities (PwDs) are integral to HCLTech's workforce, and the firm is always working towards providing them with an inclusive and accessible workplace through the four principles of Employ, Enable, Engage, and Empower (4Es). HCLTech has taken several steps to ensure accessibility for all employees with disabilities by developing well-equipped and disability-friendly infrastructure such as ramps, voice-enabled lifts, PWD washrooms, reserved parking spaces, and emergency warning systems with audio and visual alarms. The organization has also conducted third-party inspections to ensure that its facilities are accessible to employees with disabilities. Furthermore, the Company's websites and internal portals comply with the Web Content Accessibility Guidelines (WCAG), and the Company regularly updates its portals to make them more accessible.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web link to the policy.

Yes, the Company has an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016 and is available on the website of the Company at https://www.hcltech.com/geo-presence/india#overview.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees	
	Return to work rate	Retention rate
Male	99.97%	77.64%
Female	99.67%	65.65%
Total	**99.80%**	**73.97%**

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.

	(If Yes, then give details of the mechanism in brief)
Permanent employees	Yes. HCL has a multi-tiered grievance handling mechanism applicable to all permanent and non-permanent employees including, dedicated channels for addressing harassment, whistle-blower complaints, security incidents, discrimination, general grievances, etc. Employees can raise concerns by submitting their grievance in the Global Ethics Helpline (MyHCLTech >>Top Ribbon (Main Menu)>> Ethics Helpline).
Other than permanent employees	

Note: The entire workforce of HCLTech is categorized as 'Employees' and none as 'Workers'. Therefore, the information required in all sections in the 'Workers' category is not applicable to HCLTech.

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

Category	FY 2023-24			FY 2022-23		
	Total employees workers in the respective category (A)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (B)	% (B/A)	Total employees/ workers in the respective category (C)	No. of employees/ workers in the respective category, who are part of the association(s) or Union (D)	% (D/C)
Total permanent employees	227,481	9,124	4.01%	225,944	9,120	4.04%
Male	160,982	6,440	4.00%	159,842	6,357	3.98%
Female	66,268	2,684	4.05%	65,907	2,763	4.19%
Others	231	-	-	195	-	-

Note : We have changed the reporting definition this year to cover all employees in countries where we have recognized Unions/ Workers councils

8. Details of training given to employees and workers:

Category	FY 2023-24					FY 2022-23				
	Total (A)	On Health and safety measures		On skill upgradation		Total (D)	On Health and safety measures		On skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	160,982	28,226	17.5%	148,524	92.3%	159,842	10,238	6.4%	124,462	77.9%
Female	66,268	10,205	15.4%	62,610	94.5%	65,907	4,228	6.4%	52,947	80.3%
Others	231	49	21.2%	78	33.8%	195	13	6.6%	33	16.9%
Total	**227,481**	**38,480**	**16.92%**	**211,212**	**92.8%**	**225,944**	**14,481**	**6.4%**	**177,442**	**78.5%**

Note: In this table we have considered training for FTE employees active as on March 31, 2024 and March 31, 2023 respectively.

9. Details of performance and career development reviews of employees and workers:

Category	FY 2023-24			FY 2022-23		
	Total (A)*	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	152,116	152,116	100%	100% of eligible employees have received performance and career development review.		
Female	62,381	62,381	100%			
Others	63	63	100%			
Total	**214,560**	**214,560**	**100%**			

Note: * - Eligible employees

10. Health and safety management system:

a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, while 100% of HCLTech employees are covered under the OH&S Policies and procedures, facilities covering 70% of HCLTech employees are certified against ISO 45001:2018.

b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Company has established, implemented, and maintained a formal process for hazard identification, risk assessment and control to effectively manage workplace and safety hazards across our facilities. HCLTech uses the Failure Mode Effect Analysis ("FMEA") to identify work-related hazards and assess risks on a routine and non-routine basis.

c) Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks (Yes/No)

Yes

d) Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)

Yes

11. Details of safety related incidents, in the following format:

Safety incident/number	Category	FY 2023-24	FY 2022-23
Lost Time Injury Frequency Rate (LTIFR) (per one-million-person hour worked)	Employees	0.008639	The Company is continuously looking to strengthen the monitoring systems in place and will start reporting on this data point in future.
Total recordable work-related injuries	Employees	27	5
No. of fatalities	Employees	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

The company has taken the following measures to maintain a safe and healthy workplace:

1. Ensure compliance to Health & Safety laws and provide necessary support to our employees.
2. Training of employees on Occupational Health & Safety.
3. Periodic Inspection & audits to check the compliance level set against our internal benchmarks.
4. Provision of Personal Protective Equipment to employees wherever needed.
5. HCLTech sites are certified under the OHS management system against ISO 45001:2018 standard.
6. Increased the OHS certification (ISO 45001:2018) coverage from 65% during the last year to 70% in the current year.
7. Undertook evaluation for five of our campuses under the International Safety Awards hosted by the British Safety Council.

In addition to these efforts, HCL Healthcare focuses on offering managed healthcare solutions to employees and their families. These services include lab services, virtual specialist doctor consultations, eye care solutions, and dentistry services. The clinics are built to international standards and are dedicated to offering a wide variety of health care services to employees and their families.

The Company has the essential mechanisms in place to protect employees' safety, and they are encouraged to share any workplace risks or health concerns. The company has safety committees that convene at regular intervals. There is a safety incident reporting and management mechanism in place to guarantee that all work-related occurrences are reported and resolved through appropriate corrective actions.

13. Number of complaints on the following made by employees and workers

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working conditions	9	0	-	14	1	-
Health & safety	9	2	-	5	0	-

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

The Company has taken the below mentioned steps as response to incidents or suggestions:

- All the entry/exits of the major campuses have been modernized to enable smooth entry/exits of PWDs (People with Disability).
- One dedicated tank installed in STP for the Eye wash shower- Chennai Campus.
- Rescue Stick: Rescue stick was made up of Non- Conducting material (UPVC material) by inhouse team -ELCOT Madurai.
- Ambulance gate control : Ambulance entry/exit is automated with a RFID/ push button opening , when it arrives near to the gate -3, the security will have a push button to open - ELCOT Madurai.
- Infinity walk : Created infinity walk without any investment for physical activity - Madurai.
- Evacuation chair : Procured 3 no's evacuation chair, placed at all towers for specially abled persons- Chennai Campus.
- Confined space Tripod System introduced to provide a stable overhead anchorage for confined space entry and emergency rescue applications -Jigani Campus.
- All HIRA ,EAIA ,R&O are revisited and updated till Feb-23 in Pan India facility .
- 33 Nos. High volume low speed HVLS fans has been installed in New cafeteria at Chennai campus.
- 5 Nos. Hear Recovery Wheel ("HRW") rectified to ensure 100% safe air supply -Jigani Campus.
- Light sensor fixed in stair case to provide adequate lighting from 6 PM to 7 AM - Jigani Campus.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

Yes, covering all the employees of the Company.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

At HCLTech, all legal compliances are reviewed as part of our vendor audits.

3. Provide the number of employees/workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24	FY 2022-23	FY 2023-24	FY 2022-23
Employees	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

Yes

5. Details on assessment of value chain partners

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	100% of the major value chain partners engaged in facility management are covered.
Working conditions	100% of the major value chain partners engaged in facility management are covered.

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

The company has proactively implemented a range of corrective measures to address various risks identified during comprehensive assessments of health and safety procedures and working conditions for its our value chain partners. These measures encompass a wide scope of initiatives, including the meticulous repair of phase-3 occupancy sensors in Noida, the strategic partitioning of servers/mix rooms to optimize energy efficiency, the installation of advanced motion sensors in restrooms, the implementation of a

cutting-edge cool roof with high Solar Reflectance Index ("SRI") coating in terrace areas, the translation of Quality, Health, Safety, Environment, and Energy ("QHSEE") policy into local languages, and the provision of thorough first aid training to our Integrated Facilities Management Services ("IFMS") staff with support from, M/s. Usha Fire Safety.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders.

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

   HCLTech's stakeholder engagement process focusses on identifying and prioritizing key stakeholders based on their relevance, role, and impact. Following this, tailored engagement strategies are developed. The outcomes of these engagements are then effectively communicated within the company to ensure that stakeholders receive the necessary feedback or resolution. Internal stakeholders include employees, senior leaders, managers, the Board of Directors, and HCL Foundation members. External stakeholders consist of consumers, investors, regulatory authorities, suppliers, service providers, and the media. The stakeholder engagement process has helped the company align its Environmental, Social, and Governance ("ESG") emphasis areas with its fundamental concept of Act, Pact, and Impact. Stakeholder participation is crucial to HCLTech's ESG approach. Stakeholder engagement at HCLTech is an ongoing process that enables the company to understand and meet the expectations of its stakeholders.

2. **List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.**

   Details of stakeholder engagement are available in Sustainability Report (Section 'Stakeholder Engagement').

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the board.**

   The Executive Directors and Senior Management Personnel are actively engaged in regular interactions with various stakeholders, including investors, employees, and customers. These engagements provide invaluable feedback that plays a crucial role in the Company's commitment to sustainability. The feedback obtained from these interactions is then brought to the attention of the Board to ensure that the concerns and ideas of its stakeholders are given due consideration. In addition, any significant topics that arise through regular stakeholder engagement are brought to the Board through various channels. The Company has a well-defined process in place for addressing suggestions, complaints, and grievances, which are carefully evaluated based on their significance. Depending on the nature and scope of the issues, they are referred to the appropriate committee of the Board.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into the policies and activities of the entity.**

   Yes. The stakeholder consultations are one of the key inputs to determining the material topics. The Company looked at the aspects each stakeholder has brought out during the engagement and prioritized them using a risk and responsibility matrix to arrive at the Company's 12 material topics.

3. **Provide details of instances of engagement with, and actions are taken to, address the concerns of vulnerable/ marginalized stakeholder groups.**

   HCL Foundation's CSR projects prioritize vulnerable and marginalized stakeholders, with interventions designed to benefit these groups. Through its CSR efforts, the HCL Foundation has impacted over 6.5 million lives, with 54% being female beneficiaries and over 13,500 people with disabilities have also benefitted through various initiatives. The foundation has planted over 2.12 million saplings, developed 243 water structures, and harvested 81 million liters of water in the last five years. Additionally, 72,000 acres of land has also been brought under green governance.

PRINCIPLE 5: Businesses should respect and promote human rights.

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2023-24			FY 2022-23		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D /C)
Employees						
Permanent	227,481	2,17,733	95.71%	225,944	210,843	93.32%
Other than permanent	9,767	8,599	88.04%	15,408	13,364	86.73%
Total employees	**237,248**	**2,26,332**	**95.39%**	**241,352**	**224,207**	**92.90%**

2. Details of minimum wages paid to employees and workers

Category	FY 2023-24					FY 2022-23				
	Total (A)	Equal to minimum wage		More than minimum wage		Total (D)	Equal to minimum wage		More than minimum wage	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees Permanent										
Male	160,982	0	0	160,982	100%	159,842	0	0%	159,842	100%
Female	66,268	0	0	66,268	100%	65,907	0	0%	65,907	100%
Others	231	0	0	231	100%	195	0	0%	195	100%
Other Than Permanent										
Male	7,437	0	0	7,437	100%	11,254	0	0%	11,254	100%
Female	2,238	0	0	2,238	100%	4,007	0	0%	4,007	100%
Others	92	0	0	92	100%	147	0	0%	147	100%

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹ Lakhs /per annum)	Number	Median remuneration/ salary/ wages of respective category (₹ Lakhs /per annum)
Board of Directors (BoD)	9	116	5	94
Key managerial personnel	3	636	0	0
Employees other than BoD and KMP	168,416	15.29	68,506	7.62

Note:

1. One lakh = 100,000.
2. We have used a conversion ratio of INR 82.83 = 1 USD (average conversion rate across 12 months) in the median calculation.

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2023-24	FY 2022-23
Gross wages paid to females as % of total wage	20.41%	20.16%

4. Do you have a focal point (individual/ committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Employees are urged to report any issues pertaining to Human Rights to the Reporting Manager and/or the Global Ethics Helpline. Employees based in Germany/Netherlands can continue to raise their concerns and grievances by emailing to whistleblower@hcltech.com.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Employees and Individuals affected have access to mechanisms to raise concerns and such mechanisms are accessible, equitable and transparent. Any Employee or Individual may report a concern in writing or orally by communicating it either to their concerned reporting manager or Human Resources (HR). Employees can also raise concerns by submitting their grievance in the Global Ethics Helpline (MyHCLTech >>Top Ribbon (Main Menu)>> Ethics Helpline).

The aggrieved employee or individual can also address their concerns to the Whistleblower Committee via whistleblower@hcltech.com. Employees and Individuals are advised to submit a written complaint narrating the true sequence of the events leading to the violation along with any supporting evidence. Concerns may be reported as confidential or on an anonymous basis. We are committed to keeping the identity of the reporting Employee or Individual confidential to the maximum extent as consistent with the Company's legal obligations but subject to the Company's need to investigate reported violations.

6. Number of complaints on the following made by employees and workers:

	FY 2023-24			FY 2022-23		
	Filed during the year	Pending resolution at the end of year**	Remarks	Filed During the year	Pending resolution at the end of year**	Remarks
Sexual harassment*	87	11	-	55	16	-
Discrimination at workplace	0	NA	-	0	NA	-
Child labour	0	NA	-	0	NA	-
Forced labour/ Involuntary labour	0	NA	-	0	NA	-
Wages	0	NA	-	0	NA	-
Other human rights-related issues	0	NA	-	0	NA	-

* This is complaints reported globally and in section 7, the numbers are India specific.
** As on March 31, of the respective financial year.

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2023-24	FY 2022-23
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	75	46
Complaints on POSH as a % of female employees / workers	0.14%	0.09%
Complaints on POSH upheld	56	30

Note: Since POSH Act is India specific the numbers reported are for India operations.

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Employees must report any incidents of alleged harassment that they are aware of through channels provided by Global Ethics Helpline (GEH) which allows employees to make complaints about sexual harassment in the workplace online. Employees can also share their concerns and queries at secure@hcltech.com.

All official mechanisms for reporting issues/complaints are focused on preventing and addressing sexual harassment grievances in the workplace in accordance with HCL's Prevention and Redressal of Sexual Harassment at Workplace Policy. The policies and practices are in accordance with the applicable laws, especially the "The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013" for employees based in India, as well as other relevant rules in the countries where the company operates.

If an employee is subjected to sexual harassment, they should report it to secure@hcltech.com immediately. The Internal Complaints Committee ("ICC") investigates and addresses complaints received through this method with the utmost objectivity and confidentiality. HCL also guarantees that the standard SLAs required by law are satisfied.

False Accusation: If the ICC determines that the complaint against the respondent is malicious, that the aggrieved woman or anyone else filing it knew it was false, or that the aggrieved woman or anyone else filing it has produced any forged or misleading document, it may advise the employer to take appropriate action, such as issuing a written apology, issuing a warning, reprimanding or censured the employee, withholding a promotion, withholding a pay increase, terminating their employment, having them undergo counseling, or having them perform community service. However, this excludes claims that are hard to support or that were made in good faith.

Right to Appeal: Any individual who is dissatisfied with the recommendations made may file an appeal with the court or tribunal within the time frame specified, in the manner required, without prejudice to any provisions contained in any other legislation now in effect.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

10. Assessments of the year

	% of your plants and offices that were assessed (by the entity or statutory authorities or third parties)
Child labour	73%
Forced/involuntary labour	73%
Sexual harassment	73%
Discrimination at workplace	73%
Wages	73%
Others – please specify	-

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.

No significant risk/concern identified.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

No significant changes in process were required resulting from the grievances and complaints this year.

2. Details of the scope and coverage of any human rights due diligence conducted

We have incorporated human rights aspects into the due diligence process for onboarding any new vendor.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, the company's offices are accessible to differently abled visitors as per the requirements of the Rights of Persons with Disabilities Act,2016.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment	The company's assessment framework prioritizes risk considerations over solely focusing on business value. It emphasizes the inclusion of pertinent contractual clauses in agreements with vendors and ensures comprehensive communication of these requirements. 100% of all new vendor due diligences cover these topics particularly as part of the risk assessment for vendors identified as high-risk.
Discrimination at workplace	
Child labour	
Forced/involuntary labour	
Wages	
Others – please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above

Appropriate trainings and capacity buildings are conducted based on the concerns arising from the assessments.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity:

Parameter	FY 2023-24	FY 2022-23
From Renewable Sources		
Total electricity consumption (A)	187403.10 GJ	178,785.52 GJ
Total fuel consumption (B)	0	-
Energy consumption through other sources (C)	0	-
Total energy consumed from renewable sources (A+B+C)	**187403.10 GJ**	**178,785.52 GJ**
From non-renewable sources		
Total electricity consumption (D)	782,259.72 GJ	794,631.75 GJ
Total fuel consumption (E)	15,509.60 GJ	44,080.16 GJ
Energy consumption through other sources (F)	0	-
Total energy consumed from non-renewable sources (D+E+F)	797,769.32 GJ	838,712.00 GJ
Total energy consumed (A+B+C+D+E+F)	**985,172.42 GJ**	**1,017,497.43**
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations) GJ/Million ₹	0.90	1.00
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP) Per million ₹	20.5	22.9
Energy intensity in terms of physical output	NA	-
Energy intensity (optional) – the relevant metric may be selected by the entity.	NA	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. DNV Business Assurance India Private Limited (DNV).

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the performance, achieve, and trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken if any.

Not Applicable

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24	FY 2022-23
Water withdrawal by source (in kiloliters)		
(i) Surface water	0	0
(ii) Groundwater	196,684.43	286,101.20
(iii) Third-party water (municipal water supplies)	301,249.04	342,432.63
(iv) Seawater / desalinated water	0	0
(v) Others (Rainwater, generated drinking water from Air, AHU Condensation and Municipality water)	250,365.57	244,154.00
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	**748,299**	**872,688**
Total volume of water consumption (in kiloliters)	**737,685**	**863,373**
Water intensity per rupee of turnover (water consumed / turnover) KL/Million ₹	0.67	0.85
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) Per Million ₹	15.4	19.5
Water intensity in terms of physical output	NA	**-**
Water intensity (optional) – the relevant metric may be selected by the entity	NA	**-**

(Data covers only India operations)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency

Yes. DNV Business Assurance India Private Limited (DNV)

4. Provide the following details related to water discharged:

Parameter	FY 2023-24	FY 2022-23
Water discharge by destination and level of treatment (in kiloliters).		
(i) To Surface water	-	-
- No Treatment	-	-
- With treatment-please specify level of treatment	-	-
(ii) To Groundwater	-	-
- No treatment	-	-
- With treatment – please specify level of treatment	-	-
(iii) To Seawater	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
(iv) Sent to third parties	-	-
- No treatment	10,614	9,315
- With treatment-please specify level of treatment	-	-
(v) Others	-	-
- No treatment	-	-
- With treatment-please specify level of treatment	-	-
Total water discharged (in kiloliters)	10,614	9,315

(Data covers only India operations)

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. DNV Business Assurance India Private Limited (DNV).

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

HCLTech treats 97% of its sewage water at its own sewage treatment plants. The treated water is subsequently reused within the company's campuses. Only 3% of the sewage water is directed to the common sewage treatment plants operated by local municipalities. HCLTech has set up two sewage treatment plants to recycle treated sewage, aiming to diminish the need for freshwater consumption. These plants serve various purposes including irrigation and flushing for washrooms and urinals.

6. Please provide details of air emissions (other than GHG emissions) by the entity:

Parameter	Unit	FY 2023-24	FY 2022-23
NOx	Tonnes	2.86	This is not material to the business.
SOx	Tonnes	0.36	
Particulate matter (PM)	Tonnes	0.51	
Persistent organic pollutants (POP)	Tonnes	0	
Volatile organic compounds (VOC)	Tonnes	0	
Hazardous air pollutants (HAP)	Tonnes	0	
Others – Please specify.	Tonnes	0	

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. DNV Business Assurance India Private Limited (DNV)

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity:

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	12,507.61	15,878
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	154,918	157,865
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	MT CO_2 Equivalent / Million ₹	0.15	0.17
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Per Million ₹	3.5	3.9
Total Scope 1 and Scope 2 emission intensity in terms of physical output		NA	NA
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. DNV Business Assurance India Private Limited (DNV).

8. Does the entity have any project related to reducing greenhouse gas emission? If yes, then provide details. Yes. HCLTech has undertaken several projects aimed at reducing greenhouse gas emissions through various initiatives, including increasing renewable energy purchase, optimizing chiller and HVAC operations, utilizing energy-efficient lighting, and improving sewage treatment plant efficiency which has contributed to a reduction of 3.18% in total energy consumption as compared to FY2022- 23 These efforts demonstrate HCLTech's commitment to environmental sustainability and reducing its carbon footprint. Additionally, projects like Net Zero Intelligence Operations (NIO) contribute to real-time monitoring and reduction of energy consumption and emissions. The company has already switched 17.67%, or 36,965 MWh, of its total energy requirement to renewable sources. Out of this, 17,798 MWh are for its facilities in India, which include 1,761 MWh from onsite solar plant installations, and 19,167 MWh for its Geo sites. This has allowed the company to lower its carbon footprint by 16,202 tCO_2e (tonnes of carbon dioxide equivalent), with 14,647 tCO_2e in India and 1,787 tCO_2e in Geolocations.

Energy efficiency and reduction initiatives undertaken during FY 2023-24:

1. Energy efficient tech adoption at HCLTech includes daylight sensors, efficient lighting, and SMART energy meters, reducing emissions.
2. Chiller performance improved via fills replacement and temperature adjustments, saving 58 MWh and cutting 48 tCO_2e emissions.
3. HVAC efficiency boosted through unit upgrades and control enhancements, saving 615 MWh and reducing 506 tCO_2e emissions.
4. LED lighting expansion and control enhancements, including motion sensors, saved 1,757 MWh and cut 1,446 tCO_2e emissions.
5. UPS capacity optimized and passive filters activated, saving 406 MWh and reducing 335 tCO_2e emissions.
6. AHU control process improved with BMS system revamp, saving 148 MWh and cutting 121 tCO_2e emissions.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total waste generated (in metric tonnes)		
Plastic waste (A)	9.606	28.44
E-waste (B)	334.90	383.55
Bio-medical waste (C) (India operations)	4	3.97
Construction and demolition waste (D) (India operations)	64	29.10
Battery waste (E)	222	67.60
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G) (Used oil and oil filters) (India operations)	16.41	11.2
Other Non-hazardous waste generated (H). Please specify, if any. (Food waste and other general waste)	1,759	1,468.30
Total (A+B + C + D + E + F + G + H)	**2,409.92**	**1,992.16**
Waste intensity per rupee of Turnover (Total waste generated /Revenue from operations) per million ₹	0.0022	0.0020
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) per million ₹	0.05	0.045
Waste intensity in terms of physical output	NA	NA
Waste intensity (optional) – the relevant metric may be selected by the entity.	NA	NA

For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	1,914	1,525
(ii) Re-used	-	85
(iii) Other recovery operations	-	-
Total	**1,914**	**1,610**
For each category of waste generated, total waste disposed of by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	9	8
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
Total	**9**	**8**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes. DNV Business Assurance India Private Limited (DNV).

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce the usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

- Implementation of glass water bottles for client visits, internal meetings, and events nationwide, eliminating the use of plastic mineral pet bottles.
- Elimination of plastic in cafeterias, all HB boarding houses refrain from using single-use plastic.
- Transition from PET bottles to cans for aerated beverages in cafeterias and automatic F&B vending machines.
- Introduction of glass jars for meeting room snacks across India, replacing cling film-covered plates.
- E-waste management: Replacement of conventional lights with LED lights to mitigate mercury's harmful effects, and substitution of projectors with LEDs to reduce power consumption and waste.
- Paper conservation efforts: Initiatives such as deploying printer pins, limiting printing, encouraging double-sided printing, and reducing font size contribute to a paperless campus.
- Waste management strategy focuses on the principles of Reduce, Recycle, and Reuse (3R's), with waste categorized by source and disposal method. Hazardous waste is disposed of responsibly, paper waste is recycled, biomedical waste is safely disposed of, and food and garden waste are reused for composting.

11. **If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/ clearances are required, please specify details in the following format:**

    No

12. **Details of Environmental Impact Assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

    No

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (prevention and control of pollution) Act, Air (prevention and control of pollution) Act, Environment Protection Act, and rules there under (Y/N). If not, provide details of all such non-compliances, In the following format**:

    Yes

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

   For each facility / plant located in areas of water stress, provide the following information:

   (i) Name of the area: Not Applicable

   (ii) Nature of operations: Not Applicable

   (iii) Water withdrawal, consumption and discharge: Not Applicable

2. **Please provide details of total Scope 3 emissions & their intensity:**

Parameter	Unit	FY 2023-24	FY 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	247,460	277,267
Total Scope 3 emissions per rupee of turnover	MT CO_2e / Million Rs	0.23	0.27
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		NA	NA

3. **With respect to the ecologically sensitive areas reported at Question 10 of essential indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.**

   Not Applicable

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge/waste generated, please provide details of the same as well as the outcome of such initiatives:**

   All initiatives resulting into improved efficiency and reduced environmental impact during the Financial Year 2024 is detailed in the environment section of the Sustainability Report 2024.

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link**.

   Technological, geopolitical, societal, economic, and environmental risks are all coming together to create an intrinsically complex and fast-changing global risk landscape. The Company's reputation as a 21st Century Enterprise is often measured by its resilience to threats, and how efficiently. The Company respond & manage business disruptions. HCLTech is committed to its employees, clients, and interested parties to ensure that necessary efforts are made to safeguard life and safety of personnel, protect property and resume critical services at predefined levels in the event of any untoward incident. To meet the organizational continuity objective, The Company have made significant efforts towards Crisis Management and Resilience planning to ensure effective response, prioritized recovery of its time-sensitive operations and mitigation of potential business continuity risks.

   Crisis and Resilience ("C&R") Program falls under the purview of Risk and Compliance function headed by the Chief Risk Officer of HCLTech. The C&R Program is guided by the board, led by subject matter experts, and is based on ISO 22301 standard and global best practices. The Company undertake active engagement with ecosystem partners for real-time horizon scanning of risks and early warning signals. The Company has embedded Resilience-by Design philosophy in the firm across different dimensions of the "new-normal" including resilience in work, workforce, workplace, technology, supply chain, and leadership. The Company has started integrating climate change risks into each of these dimensions and their business continuity / contingency planning solutions.

   Being an IT / ITeS provider, there is a potential that our operations may be affected due to core-technical risks materializing inour environment like technology failures, programming errors, cyberattacks etc. In order to mitigate these risks, The Company has embedded 'Resilience-by-Design' across our organization through:

- Battle hardened Business Continuity & Disaster Recovery Plans including Cyber Incident readiness
- Geographically dispersed Data Centers
- Robust multi-vendor MPLS & Internet Network
- Scalable Work from Home (WFH) Computing capability with stringent security controls

HCLTech's Exercising and Testing Framework provides a comprehensive approach to validate effectiveness of the business continuity strategies implemented across the organization. The Company conduct exercises at facility, city, country level(s) based on nature, scale, and complexity of operations. Types of business continuity exercises include (1) Call Tree, (2) Tabletop and (3) Simulation.

Furthermore, our Crisis Management Framework provides agile response, timely communication with internal and external stakeholders, and recovery & restoration based on the rapidly evolving global threat landscape, which includes climate threats.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

There were no significant adverse impacts to the environment arising from the value chain of HCLTech.

7. Percentage of value chain partners (by the value of business done with such partners) that were assessed for environmental impacts.

S. No.	No. of value chain partners that were assessed	% of value chain partners (by value of business done with such partners) that were assessed	Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard
1	1,158	The Company does not monitor the percentage of value chain partners by the value of business. The Company takes a risk based approach to execute vendor assessment.	No significant adverse impacts identified.

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

27

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Confederation of Indian Industry ("CII")	National
2	National Association of Software and Service Companies ("NASSCOM")	National
3	World Economic Forum ("WEF")	Global
4	Federation of Indian Chambers of Commerce & Industry ("FICCI")	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
There were no incidents pertaining to anti-competitive conduct by the Company.		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of review by board (Annually/ half yearly/ quarterly / others – please specify)	Web-link, if available
The Company believes in the public good and contributes to building a responsible society through various platforms, advocacy channels and forums by way of lending Company's ideas, visions expertise and thought leadership. The Company has aligned itself with relevant organizations which work in the larger business / social / environmental and community interests. In addition, the Company also creates and owns innovative pieces of work and solutions such as the Aquaprenuer Initiative with the World Economic Forum (WEF) to foster multi-stakeholder collaboration for the conservation of freshwater.					

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

   Not Applicable

2. **Provide information on the project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:**

   Not Applicable

3. **Describe the mechanisms to receive and redress grievances of the community.**

   The corporate social responsibility agenda for HCLTech is delivered by the HCL Foundation. It deeply upholds the value of accountability and aims to accept, assess, and resolve feedback or complaints received from our community of stakeholders ranging from but not limited to HCL Foundation employees, HCLTech employees, volunteers, third-party employees, consultants associated with our projects, NGO partners, social sector organizations, government authorities, programme participants, community members and others. Any deviation from the law of the land, HCLTech Code of Conduct or HCL Foundation Child Protection Policy by any stakeholder associated with our programmes / projects is taken up seriously for review and redressal via multi-pronged, scientific and transparent channels. HCL Foundation aims to ensure that every stakeholder is provided a safe environment to share their concerns/grievances. High level of confidentiality is maintained in sensitive matters to respect and maintain dignity of the complainant. Redressal on grievances is carried out as per the nature of the grievance, basis guidelines defined in the organization's policies

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY 2023-24	FY 2022-23
Directly sourced from MSMEs/ small producers	11.58%	8.48%
Directly from within India	93%	93%

   Note: This data pertains to procurement in India

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost**

Location	FY 2023-24	FY 2022-23
Rural	0	0
Semi-Urban	0	0
Urban	0	0
Metropolitan	100%	100%

   (Place categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the social impact assessments (Reference: Question 1 of essential indicators above):**

   Not Applicable

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

S. No.	State	Aspirational district	Amount spent (In ₹)
1	Chhattisgarh	Bastar	1,67,67,575
2	Jammu & Kashmir	Baramulla	20,00,000
3	Jammu And Kashmir	Kupwara	20,00,000
4	Karnataka	Raichur	6,58,240
5	Karnataka	Yadgir	6,58,240
6	Madhya Pradesh	Guna	50,00,000
7	Tamil Nadu	Ramanathapuram	32,34,000

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/vulnerable groups?

Yes, The company has implemented a procurement policy that emphasizes on the advancement of small, local, and diverse businesses. The definition of "diverse" may vary depending on the country, but it generally encompasses underrepresented segments of the population such as local minorities, gender, veteran, sexual orientation, disability, economically disadvantaged, and others

(b) From which marginalized/vulnerable groups do you procure?

HCLTech is committed to sourcing from marginalized and vulnerable groups such as Minority Business Enterprises (MBE), Women Business Enterprises (WBE), Veteran-Owned Businesses (VET), Disabled individuals, LGBTQIA+ and small suppliers. The company's procurement procedures are designed in accordance with the local regulatory requirements in the countries where it operates.

(c) What percentage of total procurement (by value) does it constitute?

For combined US, Canada & UK, the spend is 32% of total procurement spend of these geographies.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

Not Applicable

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property-related disputes wherein usage of traditional knowledge is involved.

Not Applicable

6. Details of beneficiaries of CSR projects:

S. No	CSR project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalized groups
1.	Uday: HCL Foundation's flagship program is designed to break the cycle of urban poverty in the company's surrounding neighborhoods. Currently, the program operates in eleven cities throughout India, including Noida, Chennai, Bengaluru, Lucknow, Nagpur, Madurai, Vijayawada, Coimbatore, Hyderabad, Kolkata, and Pune	10,32,478	100%
2.	The HCLTech Grant is a flagship program of HCLFoundation, which recognizes, strengthens, and empowers NGOs working in the field of rural development. The grant is awarded PAN India in three thematic categories: Environment, Health, and Education.	20,10,316	100%
3.	HCL Foundation's flagship programme, Harit, aims to promote the conservation, restoration, and enhancement of indigenous environmental systems in a sustainable manner through community engagement. The programme is currently operational in eleven states of India, namely Uttar Pradesh, Tamil Nadu, Karnataka, Maharashtra, Andhra Pradesh, Telangana, Odisha, West Bengal, Uttarakhand, Rajasthan, and Madhya Pradesh.	17,913	100%
4.	Samuday is a flagship CSR programme that aims to develop a sustainable, scalable, and replicable model for economic and social development of rural areas. This programme is run in partnership with central and state governments, local communities, NGOs, knowledge institutions, and allied partners. The objective is to bring about positive change in selected villages through optimal interventions in the areas of Agriculture, Education, Health, Infrastructure, Livelihood, and WASH (Water, Sanitation & Hygiene). The initiative focuses on creating a source code for the comprehensive development of rural areas that can be implemented across the country.	24,54,138	100%
5.	"My Clean City" is a program aimed at implementing effective solid waste management in Noida and Greater Noida through transformation of cities into waste-free regions by covering residential welfare associations and urban villages	5,89,642	100%
6.	HCL Foundation is dedicated to assisting the country during times of calamity, whether natural or manmade. The foundation's Disaster Risk Reduction and Management (DRR/M) initiative in India include mitigation, relief and response, rehabilitation, and build-back-better projects. The program strives to mitigate the effect of catastrophes and humanitarian crises by supporting people in need.	4,20,384	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

Yes, HCLTech's Grievances and Complaints Management includes a Customer Advisory Board (CAB), CREST, ACSAT & PCSAT, CRISP, Account Management Teams and HR-related complaints. CAB comprises CXOs from strategic accounts across industries, while CREST implements a governance framework for regular client checks and action implementation. ACSAT & PCSAT measure client satisfaction at project and engagement levels, while CRISP enhances customer relationships and services. Account Management Teams connect with customers monthly to capture and highlight feedback, and HR-related complaints are forwarded to hear@hcltech.com.

Furthermore, HCLTech has implemented a Whistleblower Policy, which clearly specifies the procedure for filing a complaint and is available to all stakeholders, including customers and clients. They can email their concerns to whistleblower@hcltech.com for effective redressal.

2. Turnover of products and/or services as a percentage of turnover from all products/services that carry information about:

	As a % to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	Not Applicable
Recycling and/or safe disposal	Not Applicable

3. Number of consumer complaints in respect of the following:

	FY 2023-24		Remarks	FY 2022-23		Remarks
	Receive during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	Nil	Nil	Nil	Nil	Nil	Nil
Advertising	Nil	Nil	Nil	Nil	Nil	Nil
Cyber-security	1	Nil	Nil	Nil	Nil	Nil
Delivery of essential services	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Restrictive trade practices	Nil	Nil	-	Nil	Nil	Nil
Unfair trade practices	Nil	Nil	Nil	Nil	Nil	Nil
Other	Nil	Nil	Nil	Nil	Nil	Nil

Note: A security incident was observed in an isolated cloud environment for one of our client's projects. There was no impact observed due to this incident on the overall HCLTech network. HCL engaged an external agency for Investigation, which, reported:

- There was no evidence of data exfiltration.
- There was no evidence of compromise in HCLTech Corporate environment.

4. Details of instances of product recalls on account of safety issues.

Not Applicable

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? If available, provide a web link to the policy.

Yes. HCLTech has a well-established Information Security Management framework based on ISO 27001:2013. Information Security Management System policies, processes and guidelines are established to ensure confidentiality, integrity, and availability of customer data. An Information security policy is hosted on HCLTech Policies HUB and available to all users.

To effectively respond to rapidly evolving data privacy and cyber security landscape, HCLTech, has implemented a comprehensive data privacy and cyber security program. The cybersecurity practices at HCLTech are aligned with the Global NIST cyber security framework and industry standards such as ISO 27001. HCL Tech's privacy program is supported by an enterprise-wide Privacy & Data Protection Framework that is tailored to accommodate HCL's operations, nature, scope and sensitivity of personal data, legal, regulatory, contractual obligations, risks to data, and defined privacy principles and privacy standards such as ISO 27701 Privacy Information Management System. We have established minimum baseline control standards and a defense in depth approach to ensure privacy and cyber security controls are embedded throughout the asset, identity, and data lifecycle.

Continuous validation of controls such as vulnerability assessments, penetration testing, breach & attack simulation (e.g., phishing simulations) etc. covering all infrastructure and application assets are performed to continually manage our risk posture. A 24x7 Cyber Defense Center is established to Identify and respond to any potential threats to HCLTech environment. The effectiveness of the privacy and cyber security controls at HCLTech is monitored and tested internally by an independent internal audit team as well as by independent external third parties on a periodic basis.

At HCLTech, we take pride in pursuing ways to enhance privacy and cyber security knowledge and awareness and embed a culture of privacy and data protection throughout the organization. Employees and third-party resources undergo mandatory enterprise-wide privacy and cyber security training covering key privacy and cyber security concepts, principles, laws, best practices, and contractual obligations. HCLTech has also created an extensive network of privacy & cyber security champions who play a critical role in embedding and reinforcing privacy and cyber security knowledge and best practices at an operational level.

The Privacy and Cyber Security programs at HCLTech are overseen by the Chief Privacy Officer (CPO) and Chief Information Security Officer (CISO) respectively. HCLTech has also appointed an external global Data Protection Officer to provide assurances, accountability, and independence as is necessary for complying with privacy laws. Further as a proactive measure and to ensure enhanced protection of personal data processed globally at HCLTech offices, we have documented, and implemented our Binding Corporate Rules (BCRs) framework and are in the process of seeking approval for our BCR applications both as a data controller and processor from EU/EEA data protection authorities.

HCL Tech's global privacy policy sets out the mandate for the organization with regard to personal data processing activities both as a controller and data processor. The policy requires all processing activities to be lawful and comply with a defined set of privacy principles outlined in the privacy policy such as purpose limitation, necessity and proportionality, data minimization, security, and storage limitation, etc. We only process personal data for the purpose it was collected and in line with legal requirements, secondary use of data without an individual's permission is not recommended. HCL Tech respects the rights of data subjects and has enabled an easy-to-use and external-facing Data Subject Rights Portal for data subjects to exercise their rights as per applicable laws and regulations.

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/action taken by regulatory authorities on the safety of products/services.**

   HCLTech has a well-defined, Information Cyber Security and Privacy Incident Handling Procedure covering Security and privacy incidents. Any incidents reported to the Incident Response team is Triaged as per the process, Incident Response Playbook is followed, it's analyzed for the root cause, and corrective & preventive action is taken. No reported incident is underway with Regulators.

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches-**
      Zero, No material breaches
   b. **Percentage of data breaches involving personally identifiable information of customers –**
      Not Applicable
   c. **Impact, if any, of the data breaches**
      Not Applicable.

Leadership Indicators

1. **Channels/platforms where information on products and services of the entity can be accessed.**

   https://www.hcltech.com

2. **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.**

   Not Applicable

3. **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.**

   Not Applicable

4. **Does the entity display product information on the product over and above what is mandated as per local laws? Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity, or the entity as a whole? (Yes/No)**

   Yes

INDEPENDENT ASSURANCE STATEMENT

Introduction

DNV Business Assurance India Private Limited ('DNV'), has been commissioned by HCL Technologies Ltd (Corporate Identity Number L74140DL1991PLC046369, hereafter referred to as 'HCLTech' or 'the Company') to undertake an independent assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR'). The disclosures include the indicators across 9 core attributes as per Annexure I of SEBI circular dated 12 July 2023 and the non-financial disclosures in BRSR as per the Annexure II of SEBI circular dated 12 July 2023.

Reporting standard/framework

The disclosures have been prepared by HCLTech in reference to:

- BRSR Core – Framework for assurance and ESG disclosures for value chain as per SEBI (Securities and Exchange Board of India) Circular No. SEBI/HO/CFD/CFD-SEC-2/P/CIR/2023/122 dated July 12, 2023.
- BRSR reporting guidelines (Annexure II) as per SEBI Circular No. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021, and incorporated Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/2023/120 dated July 11, 2023.
- Greenhouse Gas Protocol: *A Corporate Accounting and Reporting Standard.*
- ISO 14064-1:2018 - *Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*

Assurance Methodology/Standard

This assurance engagement has been carried out in accordance with DNV's VeriSustain protocol, V6.0, which is based on our professional experience and international assurance practice, and the international standard in Assurance Engagements, ISAE 3000 (revised) - *Assurance Engagements other than Audits or Reviews of Historical Financial Information*. DNV's Verisustain Protocol has been developed in accordance with the most widely accepted reporting and assurance standards.

Intended User

The intended user of this assurance statement is the Management of HCLTech ('the Management').

Level of Assurance

- Reasonable Level of assurance for the indicators across 9 core attributes of BRSR as per Annexure I of SEBI circular;
- Limited Level of assurance for the Non-Financial disclosures of BRSR report as per Annexure II of SEBI circular.

Responsibilities of the Management of HCLTech and of the Assurance Provider

The Management of HCLTech has the sole responsibility for the preparation of the BRSR Report and is responsible for all information disclosed in the BRSR Core and BRSR Report. The company is responsible for maintaining processes and procedures for collecting, analyzing and reporting the information and also, ensuring the quality and consistency of the information presented in the Report. HCLTech is also responsible for ensuring the maintenance and integrity of its website and any referenced BRSR disclosures on their website.

In performing this assurance work, DNV's responsibility is to the Management of HCLTech; however, this statement represents our independent opinion and is intended to inform the outcome of the assurance to the stakeholders of the Company.

Scope, Boundary and Limitations

Scope

The scope of our engagement includes independent Reasonable level of assurance of indicators across 9 core attributes (Ref: Annexure I of SEBI Circular) and a Limited level of assurance for the non-financial disclosures in BRSR (Ref: Annexure II of SEBI circular) for the Financial Year (FY) 2023-24.

Boundary of our assurance work:

- *BRSR Core indicators:* Boundary covers the performance of HCLTech operations that fall across the direct operational control of the Company's legal structure. Based on the agreed scope with the Company, the boundary of reasonable assurance covers the operations of HCLTech across all global locations, unless otherwise stated in the table below.

BRSR Core Attribute	Boundary for reasonable Assurance
Attribute 2: Water footprint	India Locations
Attribute 4: Waste reported for Biomedical Waste, C&D waste, Used Oil	India Locations
Attribute 7: Enabling Inclusive Development	India Locations

- *Rest non-financial disclosures in BRSR report:* Boundary for the rest non-financial disclosures in BRSR covers the operations of HCLTech across all global locations, unless otherwise stated below.

    - Same as mentioned for the BRSR core attributes related cross references to the BRSR, and wherever specified in the BRSR report as applicable for India locations only.

Limitation(s):

We performed a reasonable Level of assurance for the BRSR Core attributes and a limited level of assurance for the BRSR reporting based on our assurance methodology VeriSustain, v06.

The assurance scope has the following limitations:

- The assurance engagement considers an uncertainty of ±5% based on materiality threshold for estimation/measurement errors and omissions.
- DNV has not been involved in evaluation or assessment of any financial data/performance of the company. DNV opinion on specific BRSR indicators across 9 core attributes (ref- all sections of core indicators where currency; INR has been applied, attribute 8,9) relies on the third party audited financial reports of the Company. DNV does not take any responsibility of the financial data reported in the audited financial reports of the Company.
- The assessment is limited to data and information within the defined Reporting Period. Any data outside this period is not considered within the scope of assurance.
- Data outside the operations specified in the assurance boundary is excluded from the assurance, unless explicitly mentioned otherwise in this statement.
- The assurance does not cover the Company's statements that express opinions, claims, beliefs, aspirations, expectations, aims, or future intentions. Additionally, assertions related to Intellectual Property Rights and other competitive issues are beyond the scope of this assurance.
- The assessment does not include a review of the Company's strategy, or other related linkages expressed in the Report. These aspects are not within the scope of the assurance engagement.
- The assurance does not extend to mapping the Report with reporting frameworks other than those specifically mentioned. Any assessments or comparisons with frameworks beyond the specified ones are not considered in this engagement.
- Aspects of the Report that fall outside the mentioned scope and boundary are not subject to assurance. The assessment is limited to the defined parameters.
- The assurance engagement does not include a review of legal compliances. Compliance with legal requirements is not within the scope of this assurance, and the Company is responsible for ensuring adherence to relevant laws.
- The assurance engagement is based on the assumption that the data and information provided by the Company are complete, sufficient and authentic.

Assurance process

As part of the assurance process, a multi-disciplinary team of assurance specialists performed assurance work for selected sites of HCLTech. We adopted a risk-based approach, that is, we concentrated our assurance efforts on the issues of high material relevance to the Company's business and its key stakeholders. We carried out the following activities:

BRSR Core Attributes – Reasonable level of Assurance	Rest non-financial disclosures in BRSR Report – Limited Level of Assurance
Reviewed the disclosures across BRSR Core, encompassing the framework for assurance consisting of a set of Key Performance Indicators (KPIs) under 9 ESG attributes. The format of BRSR Core used a basis of reasonable level of assurance	Reviewed the disclosures under BRSR reporting guidelines. Our focus included general disclosures, management processes, principle wise performance (essential indicators, and leadership indicators) and any other key metrics specified under the reporting framework. The BRSR reporting format used a basis of limited level of assurance.
Evaluation of the design and implementation of key systems, processes and controls for collecting, managing and reporting the BRSR Core indicators	Understanding the key systems, processes and controls for collecting, managing and reporting the non-financial disclosures in BRSR report.
Assessment of operational control and reporting boundaries	Walk-through of key data sets. Understand and test, on a sample basis, the processes used to adhere to and evaluate adherence to the reporting principles.
Seek extensive evidence across all relevant areas, ensuring a detailed examination of BRSR Core indicators. Engaged directly with stakeholders to gather insights and corroborative evidence for each disclosed indicator.	Collect and evaluate documentary evidence and management representations supporting adherence to the reporting principles.
Interviews with selected senior managers responsible for management of disclosures and review of selected evidence to support environmental KPIs and metrics disclosed the Report. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.	Interviews with the senior managers responsible for management of disclosures. We were free to choose interviewees and interviewed those with overall responsibility of monitoring, data collation and reporting the selected indicators.

BRSR Core Attributes – Reasonable level of Assurance	Rest non-financial disclosures in BRSR Report – Limited Level of Assurance
DNV audit team conducted on-site audits for data testing and also, to assess the uniformity in reporting processes and also, quality checks at different locations of the Company. Sites for data testing and reporting system checks were selected based on the %age contribution each site makes to the reported indicator, complexity of operations at each location (high/low/medium) and reporting system within the organization. Sites selected for audits are listed in Annex-II.	DNV audit team conducted on-site audits for corporate offices and sites. Sample based assessment of site-specific data disclosures was carried out. We were free to choose sites for conducting our assessment.
Conduct a comprehensive examination of key material aspects within the BRSR Core framework supporting adherence to the assurance based on applicable principles plus specified data and information.	Reviewed the process of reporting as defined in the assessment criteria.

In both the cases, DNV teams conducted the:

- Verification of the data consolidation of reported performance disclosures in context to the Principle of Completeness.
- Verification of the consolidated reported performance disclosures in context to the Principle of Completeness as per VeriSustainTM for both reasonable level and limited level verification for the disclosures.

Conclusion

Reasonable level of Assurance- BRSR 9 Core Attributes

Based on our review and procedures followed for reasonable level of assurance, DNV is of the opinion that, in all material aspects, the BRSR indicators across 9 core attributes (as listed in Annex I of this statement) for FY 2023-24 are reported in accordance with reporting requirements outlined in BRSR Core (Annexure I of SEBI Circular dated 12 July 2023).

Limited Level of Assurance- BRSR Reporting Format

On the basis of the assessment undertaken, nothing has come to our attention to suggest that the disclosures do not properly adhere to the reporting requirements as per BRSR reporting guidelines (Annexure II of SEBI Circular).

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 – Conformity assessment – General principles are requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We have complied with the DNV Code of Conduct[1] during the assurance engagement and maintain independence wherever required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. During the reporting period i.e. FY 2023-24, DNV, to the best of its knowledge, was not involved in any non-audit/non- assurance work with the Company and its Group entities which could lead to any Conflict of Interest. DNV was not involved in the preparation of any statements or data included in the Report except for this Assurance Statement for internal use of HCLTech. DNV maintains complete impartiality toward stakeholders interviewed during the assurance process. We did not provide any services to HCLTech in the scope of assurance for the reporting period that could compromise the independence or impartiality of our work.

Purpose and Restriction on Distribution and Use

This assurance statement, including our conclusion has been prepared solely for the exclusive use and benefit of management of the Company and solely for the purpose for which it is provided. To the fullest extent permitted by law, DNV does not assume responsibility to anyone other than the Company for DNV's work or this assurance statement. The usage of this assurance statement shall be governed by the terms and conditions of the contract between DNV and the HCLTech. DNV does not accept any liability if this assurance statement is used for an alternative purpose from which it is intended, nor to any third party in respect of this assurance statement. No part of this assurance statement shall be reproduced, distributed or communicated to a third party without prior written consent.

For DNV Business Assurance India Private Limited

Sarkar Chandan *Digitally signed by* *Sarkar, Chandan* *Date: 2024.06.12* *18:08:57 +05'30'*	Kakaraparthi Venkata Raman *Digitally signed by* *Kakaraparthi,* *Venkata Raman* *Date: 2024.06.13* *10:32:37 +05'30'*
Chandan Sarkar Lead Verifier, Sustainability Services, DNV Business Assurance India Private Limited, India.	Kakaraparthi Venkata Raman Assurance Reviewer, Sustainability Services, DNV Business Assurance India Private Limited, India.
Assurance Team: Karthik Ramaswamy, Roshni Sarage, Anamika Kumari	

12/06/2024, Benguluru, India.

[1] DNV Corporate Governance & Code of Conduct - http://www.dnv.com/about/in-brief/corporate-governance-html

Annex I

Verified Data

Stipulated as per BRSR Core provided by the company.

Sr. No.	Attribute	BRSR Core Parameter	Measurement	Unit	FY 24	Comments
Attribute 1	Green-house gas (GHG) footprint	Total Scope 1 emissions	Total Scope 1 emissions	Metric tonnes of CO2 equivalent	12,507.61	
		Total Scope 2 emissions	Total Scope 2 emissions	Metric tonnes of CO2 equivalent	154,918	
		GHG Emission Intensity (Scope 1 +2)	Total Scope 1 and Scope 2 GHG emissions / Revenue from operations	MT CO2 Equivalent/Million ₹	0.15	
			Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP	MT CO2 Equivalent/Million ₹	3.5	
			Total Scope 1 and Scope 2 emission intensity in terms of physical output		NA	
Attribute 2	Water footprint	Total water consumption	Water withdrawal by source (in kiloliters)			
			(i) Surface water	KL	0	
			(ii) Groundwater	KL	196,684.43	
			(iii) Third-party water (municipal water supplies)	KL	301,249.04	
			(iv) Seawater / desalinated water	KL	0	
			(v) Others (Rainwater and Municipality water)	KL	250,365.57	
			Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	KL	748,299	
			Total volume of water consumption (in kiloliters)	KL	737,685	
		Water consumption intensity	Water intensity per Million rupee of turnover (water consumed / turnover)	KL/Million ₹	0.6712	
			Water intensity per Million rupee of turnover adjusted for PPP	KL/Million ₹	15.4	
		Water Discharge by destination and levels of Treatment	(i) To Surface water	Mn Lt or KL	0	
			- No Treatment	Mn Lt or KL	0	
			- With treatment- please specify level of treatment	Mn Lt or KL	0	
			(ii) To Groundwater	Mn Lt or KL	0	
			- No treatment	Mn Lt or KL	0	
			- With treatment – please specify level of treatment	Mn Lt or KL	0	
			(iii) To Seawater	Mn Lt or KL	0	
			- No treatment	Mn Lt or KL	0	
			- With treatment- please specify level of treatment	Mn Lt or KL	0	
			(iv)Sent to third parties	Mn Lt or KL	0	
			- No treatment	Mn Lt or KL	10,614.00	
			- With treatment- please specify level of treatment	Mn Lt or KL	0	
			(v) Others	Mn Lt or KL	0	
			- No treatment	Mn Lt or KL	0	
			-With treatment- please specify level of treatment	Mn Lt or KL	0	
			Total water discharged (in kiloliters)	Mn Lt or KL	10,614.00	

Sr. No.	Attribute	BRSR Core Parameter	Measurement	Unit	FY 24	Comments
Attribute 3	Energy footprint	% of energy consumed from renewable sources	Energy consumed through renewable sources / total energy consumed	%	19%	
		Total energy consumed	Total electricity consumption (A)	GJ	187,403.1	
			Total fuel consumption (B)	GJ	0	
			Energy consumption through other sources (C)	GJ	0	
			Total energy consumed from renewable sources (A+B+C)	GJ	187,403.1	
			From non- renewable sources	GJ		
			Total electricity consumption (D)	GJ	782,259.72	
			Total fuel consumption (E)	GJ	15,509.60	
			Energy consumption through other sources (F)	GJ	0	
			Total energy consumed from non-renewable sources (D+E+F)	GJ	797,769.32	
			Total energy consumed (A+B+C+D+E+F)	GJ	985,172.42	
		Energy Intensity	Energy intensity per Million rupee of turnover	GJ/Million ₹	0.90	
			Energy intensity per Million rupee of turnover adjusted for PPP	GJ/Million ₹	20.5	
			Energy intensity in terms of physical output		NA	
Attribute 4	Embracing circularity – details related to waste manage-men t by the entity	Plastic waste (A)	Kg / MT	Metric tonnes	9.606	
		E-waste (B)	Kg / MT	Metric tonnes	334.9	
		Bio-medical waste (C)	Kg / MT	Metric tonnes	4	
		Construction and demolition waste (D)	Kg / MT	Metric tonnes	64	
		Battery waste (E)	Kg / MT	Metric tonnes	222	
		Radioactive waste (F)	Kg / MT	Metric tonnes	0	
		Other Hazardous waste(G) Please specify, if any.	Kg / MT	Metric tonnes	16.41	
		Other Non-hazardous waste generated (H). Please specify, if any.	Kg / MT	Metric tonnes	1,759	
		Total waste generated ((A+B + C + D + E + F + G + H)	Kg / MT	Metric tonnes	2,409.92	

Sr. No.	Attribute	BRSR Core Parameter	Measurement	Unit	FY 24	Comments
		Waste Intensity	Kg or MT / Revenue from Operations (in Million INR)	MT/Million ₹	0.0022	
			Waste intensity per Million rupee of turnover adjusted for PPP	MT/Million ₹	0.05	
			Kg or MT / Unit of Product or Service		NA	
		Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	(i) Recycled	Metric Tonnes	1,914	Batteries E-Waste, Oil Waste, Other non-hazardous waste
			(ii) Re-used	Metric Tonnes	-	
			(iii) Other recovery operations	Metric Tonnes	-	
		For each category of waste generated, total waste disposed by nature of disposal method	(i) Incineration	Metric Tonnes	9	DG filters, Oil soaked cotton, Bio-Medical Waste
			(ii) Landfilling	Metric Tonnes	0	
			(iii) Other disposal operations	Metric Tonnes	0	
Attribute 5	Enhancing Employee Wellbeing and Safety	Spending on measures towards wellbeing of employees and workers – cost incurred as a % of total revenue of the company	In % terms	%	1.93%	
		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	Total recordable work-related injuries	Employees	27	
			Lost Time Injury Frequency Rate (LTIFR) (per one- million-person hour worked)	Employees	0.008,639	
			No. of fatalities	Employees	0	
			High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	
Attribute 6	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	In % terms	**%**	20.41%	
		Complaints on POSH (sexual harassment)	Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	Nos.	75	
			Complaints on POSH as a % of female employees / workers	%	0.14%	
			Complaints on POSH upheld	Nos.	56	

Sr. No.	Attribute	BRSR Core Parameter	Measurement	Unit	FY 24	Comments
Attribute 7	Enabling Inclusive Develop-men t	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India	In % terms – As % of total purchases by value (Directly sourced from MSMEs/ small producers)	%	11.58%	
			In % terms – As % of total purchases by value (Directly from within India)	%	93%	
		Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or non-permanent /on contract) as % of total wage cost	Rural	%	Nil	
			Semi-Urban	%	Nil	
			Urban	%	Nil	
			Metropolitan	%	100%	
Attribute 8	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	In % terms	%	0	
		Number of days of accounts payable	(Accounts payable *365) / Cost of goods/services procured	days	40.4	
Attribute 9	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties Loans and advances & investments with related parties	Concentration of purchase	a. Purchase from trading houses as % of total purchase	Not Applicable	
				b. Number of trading houses where purchases are made from	Not Applicable	
				c. Purchases from top 10 trading houses as % of total purchase from trading houses	Not Applicable	

Sr. No.	Attribute	BRSR Core Parameter	Measurement	Unit	FY 24	Comments
			Concentrations of sales	a. Sales to dealers/ distributors as % of total sales	4.03%	
				b. Number of dealers/ distribu tors to whom sales are made	1,635	
				c. Sales to top 10 dealers/distribu ters as % of total sales to dealers/ distributors	28.27%	
			Share of RPTs in	a. Purchases (purchases with related parties/total purchase)	0.10%	
				b. Sales (Sales to related parties/total sales)	0.02%	
				c. Loans and advances (Loans and advances with related parties/ total Loans and advances)	0.00%	
				d. Investments (Investments to related parties/total Investments made)	0.00%	

Annex II

Sites selected for audits

S. No	Site	Location
1.	Corporate office	Noida
2.	India Offices (onsite)	Chennai, Bangalore, Madurai, Pune, Lucknow
3.	International Offices (Remote audit)	Canada-Mississauga, ON-7125 Mississauga Rd Canada-Vancouver, BC-580 Granville Street Mexico-Guadalajara-Minerva-Av Vallara M exico-Guadalajara-Vista-Av Acueducto USA-Cary, NC-Cary2-200 Regency Woods Lane USA-Jersey City, NJ-8F, 1 Evertrust Plaza USA-Frisco, TX-2401 Internet Boulevard UK-London-3F & 6F, 70 Gracechurch Street UK-Watford-1F-2F, 45 Clarendon Road Philippines-TaguigCity-CampusAvT3 Philippines-TaguigCity-CampusAvT4

Standalone Ind AS Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Members of HCL Technologies Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of HCL Technologies Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 31 March 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Evaluation of tax positions and litigations See Note 1(h) and 2.27 to standalone financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Company is required to estimate its income tax liabilities in accordance with the tax laws applicable in India. Further, there are matters of interpretation in terms of application of tax laws and related rules to determine current tax provision and deferred taxes. The Company has material tax positions and litigations on a range of tax matters. This requires management to make significant judgments to determine the possible outcome of uncertain tax positions and litigations and their consequent impact on related accounting and disclosures in the standalone financial statements.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • testing the design, implementation and operating effectiveness of the Company's key controls over identifying uncertain tax positions and matters involving litigations/disputes. • obtaining details of tax positions and tax litigations for the year and as at 31 March 2024 and holding discussions with designated management personnel. • assessing and analysing select key correspondences with tax authorities and inspecting external legal opinions obtained by management for key uncertain tax positions and tax litigations. • evaluating underlying evidence and documentation to determine whether the information provides a basis for amounts provided/not provided in the books of account. • involving our internal tax specialists and evaluating management's underlying key assumptions in estimating the tax provisions and estimate of the possible outcome of significant tax litigations; and • in respect of tax positions and litigations, assessing the computation of provisions and consequent impact on related accounting and disclosures in the standalone financial statements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) 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 purposes 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 except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement

of changes in equity and the standalone statement of cash flows 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 Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31 March 2024 and 1 April 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

(f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) 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:

(a) The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer income tax liabilities disclosed in the balance sheet along with Note 2.27 and Note 2.35 to the standalone financial statements.

(b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(d) (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 2.33 to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 2.33 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

(e) The interim dividend declared or paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

(f) Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares except matters below which are managed only by service provider:

(i) audit trail was not enabled at the database level for accounting softwares to log any direct data changes,

(ii) certain privileged access at application layer for which audit trail was not enabled.

Further, where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Rakesh Dewan
Partner
Membership No.: 092212
ICAI UDIN.: 24092212BKFADV7856

Place: Gurugram
Date: 26 April 2024

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of HCL Technologies Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. As informed to us, no discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii) (b) of the Order is not applicable to the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnerships or any other parties during the year. During the year, the Company has made investments in companies and other parties and has granted unsecured loans in the nature of intercorporate deposits in companies, in respect of which the requisite information is as below. The Company has not made any investments in firms and limited liability partnerships. Further, the Company has not granted any loans, secured or unsecured to firms, limited liability partnerships or any other parties and not granted any secured loans to Companies.

(a) (A) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted any loans to subsidiaries.

(B) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans in the nature of intercorporate deposits to parties other than subsidiaries as below:

Particulars	Amount in INR Crores
Aggregate amount during the year - Others	1,079
Balance outstanding as at balance sheet date - Others	1,079

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investment made and the terms and conditions of the grant of loans in the nature of intercorporate deposits are, prima facie, not prejudicial to the interest of the company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given in the nature of intercorporate deposits, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given in the nature of intercorporate deposits. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan in the nature of intercompany deposits falling due during the year, which has been renewed or extended or fresh loans in the nature of intercompany deposits granted to settle the overdues of existing loans given in the nature of intercompany deposits to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records, the Company has not given any loans, or provided guarantees or securities, as specified under section 185 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to investments made, loans in the nature of intercorporate deposits and guarantees given. The Company has not provided security as specified under section 186 of the Companies Act, 2013.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited with the appropriate authorities, though there have been slight delays in payment of Duty of Customs.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute as at 31 March 2024 are as follows:

Name of the Statute	Nature of the dues	Amount (in INR crores)*	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	3.66	FY 2021-22	Assistant Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	3,249.36	FY 2003-04, 2011-12 to FY 20-21	Commissioner of IncomeTax (Appeals)
Income Tax Act, 1961	Income Tax	358.45	FY 2003-04, FY 2005-06 FY2006-07 and FY 2008-09 to FY 2010-11	Income Tax Appellate Tribunal-Delhi
Income Tax Act, 1961	Income Tax	14.70	FY 2006-07	Income Tax Appellate Tribunal-Mumbai
Income Tax Act, 1961	Income Tax	2.20	FY 2002-03, FY 2003-04 and FY 2005-06	High Court of Delhi
Income Tax Act, 1961	Income Tax	1.60	FY 2006-07	High Court of Karnataka
Income Tax Act, 1961	Income Tax	0.62	FY 2008-09	HighCourt of Allahabad
Income Tax Act, 1961	Income Tax	11.30	FY 2002-03 to FY 2004-05	Hon'ble Supreme Court of India
Central Sales Tax, 1956	Sales Tax	0.05	FY 2012-13	Joint Commissioner (Appeals)
Maharashtra VAT Act, 2002	Value Added Tax	7.94	FY 2012-13	Joint Commissioner (Appeals), LargeTax Payer Unit, Mumbai
Goods and Service Tax Act, 2017	Goods and Service Tax	1.46	October 2018 to December 2019	Additional Commissioner (appeals) of Goods and Service Tax
Goods and Service Tax Act, 2017	Goods and Service Tax	0.27	FY 17-18 and FY 21-22	Additional Commissioner (appeals) of Goods and Service Tax
Goods and Service Tax Act, 2017	Goods and Service Tax	1.06	FY 2017-18 and FY 2018-19	Additional Commissioner (appeals) of Goods and Service Tax
Customs Act, 1962	Duty to Customs	0.27	FY 2006-07	Common Adjudicating Authority (Directorate of Revenue Intelligence)
Customs Act, 1962	Duty to Customs	2.21	FY 1997-98 to FY 1999-00	Office of Assistant Commissioner of Customs
Customs Act, 1962	Duty to Customs	0.59	FY 2007-08 FY 2009-10 to FY 2013-14	Customs, Excise, Service Tax Appellant Tribunal, Maharashtra
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	0.79	FY 2006-07	High Court of Allahabad
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	23.56	FY 2006-07 to FY 2011-12, FY 2009-10	Customs, Excise, Service Tax Appellant Tribunal, Allahabad
Finance Act 1994, read with Service Tax Rules, 1994	Service Tax	0.37	FY 2013-14	Customs, Excise, Service Tax Appellant Tribunal
Finance Act 1994, read with Service tax rules, 1994	Service Tax	1.18	FY 2007-10	High Court of Allahabad
Finance Act 1994, read with Service tax rules, 1994	Service Tax	15.56	April 2012 to September 2012	Customs, Excise, Service Tax Appellant Tribunal, Allahabad
Finance Act 1994, read with Service tax rules, 1994	Service Tax	2.06	April 2011 to March 2015	Customs, Excise, Service Tax Appellant Tribunal, Allahabad
Finance Act 1994, read with Service tax rules, 1994	Service Tax	1.53	October 2011 to September 2012	Additional Commissioner, Central Goods & Services Tax
Finance Act 1994, read with Service tax rules, 1994	Service Tax	6.27	FY 2014-15 and FY 2016-17	Customs, Excise, Service Tax Appellant Tribunal

*Total amount deposited under protest / adjusted against refunds in respect of Income tax is INR 180 Crores and guarantee given under protest is INR 310 crores.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks during the year. Further, the Company did not have any outstanding loans or borrowings from financial institutions or any other lender during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act. The Company does not hold any investment in any associates and joint venture (as defined under the Act) during the year ended 31 March 2024.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries (as defined under Companies Act, 2013). The Company does not hold any investment in any associates or joint venture (as defined under the Act) during the year ended 31 March 2024.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to information and explanation given to us during the course of audit, the group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

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

Rakesh Dewan
Partner
Membership No.: 092212
ICAI UDIN.: 24092212BKFADV7856

Place: Gurugram
Date: 26 April 2024

Annexure B to the Independent Auditor's Report on the standalone financial statements of HCL Technologies Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of HCL Technologies Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Rakesh Dewan
Partner
Membership No.: 092212
ICAI UDIN.: 24092212BKFADV7856

Place: Gurugram
Date: 26 April 2024

Standalone Balance Sheet

(All amounts in crores of ₹, except share data and as stated otherwise)

		Note No.	As at	
			31 March 2024	31 March 2023
I	**ASSETS**			
	(1) Non-current assets			
	(a) Property, plant and equipment	2.1	3,225	3,727
	(b) Capital work in progress	2.2	22	21
	(c) Right-of-use assets	2.30(a)	1,048	824
	(d) Goodwill	2.3	6,549	6,549
	(e) Other intangible assets	2.4	5,511	6,835
	(f) Financial assets			
	(i) Investments	2.5	5,040	5,057
	(ii) Trade receivables - unbilled	2.6 (a)	162	82
	(iii) Loans	2.7	286	-
	(iv) Others	2.8	641	875
	(g) Deferred tax assets (net)	2.27	-	543
	(h) Other non-current assets	2.10	278	276
	Total non-current assets		**22,762**	**24,789**
	(2) Current assets			
	(a) Inventories	2.9	25	35
	(b) Financial assets			
	(i) Investments	2.5	6,801	5,102
	(ii) Trade receivables			
	Billed	2.6 (b)	3,880	5,317
	Unbilled	2.6 (b)	8,278	7,596
	(iii) Cash and cash equivalents	2.11(a)	837	2,374
	(iv) Other bank balances	2.11(b)	6,792	3,857
	(v) Loans	2.7	793	2,602
	(vi) Others	2.8	1,128	603
	(c) Current tax assets (net)		6	6
	(d) Other current assets	2.12	1,005	1,079
	Total current assets		**29,545**	**28,571**
	TOTAL ASSETS		**52,307**	**53,360**
II	**EQUITY**			
	(a) Equity share capital	2.13	543	543
	(b) Other equity		38,927	40,561
	TOTAL EQUITY		**39,470**	**41,104**
III	**LIABILITIES**			
	(1) Non - current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	2.14	26	51
	(ii) Lease liabilities	2.30(a)	651	436
	(iii) Others	2.16	8	29
	(b) Contract liabilities	2.17	101	154
	(c) Provisions	2.18	1,065	879
	(d) Deferred tax liabilities (net)	2.27	465	-
	(e) Other non-current liabilities	2.19	57	40
	Total non-current liabilities		**2,373**	**1,589**

Standalone Balance Sheet

(All amounts in crores of ₹, except share data and as stated otherwise)

	Note No.	As at	
		31 March 2024	31 March 2023
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	2.14	27	140
(ii) Lease liabilities	2.30(a)	210	172
(iii) Trade payables	2.15		
Billed			
1. Dues of micro enterprises and small enterprises		24	23
2. Dues of creditors other than micro enterprises and small enterprises		885	1,221
Unbilled and accruals		1,435	1,539
(iv) Others	2.16	1,748	1,867
(b) Contract liabilities	2.17	3,828	3,708
(c) Other current liabilities	2.20	500	392
(d) Provisions	2.18	342	283
(e) Current tax liabilities (net)		1,465	1,322
Total current liabilities		**10,464**	**10,667**
TOTAL LIABILITIES		**12,837**	**12,256**
TOTAL EQUITY AND LIABILITIES		**52,307**	**53,360**
Material accounting policies	1		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

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 Limited

Rakesh Dewan
Partner
Membership Number: 092212

Roshni Nadar Malhotra
Chairperson
DIN - 02346621

C. Vijayakumar
Chief Executive Officer
and Managing Director
DIN - 09244485

S. Madhavan
Director
DIN - 06451889

Prateek Aggarwal
Chief Financial Officer

Goutam Rungta
Corporate Vice President - Finance

Manish Anand
Company Secretary

Gurugram, India
26 April 2024

Noida (UP), India
26 April 2024

Standalone Statement of Profit and Loss

(All amounts in crores of ₹, except share data and as stated otherwise)

		Note No.	Year ended	
			31 March 2024	31 March 2023
I	**Revenue**			
	Revenue from operations	2.21	48,118	46,276
	Other income	2.22	1,076	1,031
	Total income		**49,194**	**47,307**
II	**Expenses**			
	Purchase of stock-in-trade		135	168
	Changes in inventories of stock-in-trade	2.23	10	(12)
	Employee benefits expense	2.24	20,965	19,799
	Outsourcing costs		7,105	7,291
	Finance costs	2.25	125	127
	Depreciation and amortization expense		2,371	2,431
	Other expenses	2.26	3,027	2,787
	Total expenses		**33,738**	**32,591**
III	**Profit before tax**		**15,456**	**14,716**
IV	**Tax expense**	2.27		
	Current tax		2,873	3,045
	Deferred tax charge		909	212
	Total tax expense		**3,782**	**3,257**
V	**Profit for the year**		**11,674**	**11,459**
VI	**Other comprehensive income(loss)**	2.28		
(A)	(i) Items that will not be reclassified to statement of profit and loss		27	175
	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss		(8)	(63)
(B)	(i) Items that will be reclassified to statement of profit and loss		532	(453)
	(ii)Income tax relating to items that will be reclassified to statement of profit and loss		(112)	82
	Total other comprehensive income(loss), net of tax		**439**	**(259)**
VII	**Total comprehensive income for the year**		**12,113**	**11,200**
	Earnings per equity share of ₹ 2 each	2.29		
	Basic (in ₹)		43.11	42.32
	Diluted (in ₹)		43.02	42.27
Material accounting policies		1		

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
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Corporate Vice President - Finance

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Company Secretary

Gurugram, India
26 April 2024

Noida (UP), India
26 April 2024

Standalone Statement of Changes in Equity

(All amounts in crores of ₹, except share data and as stated otherwise)

	Equity share capital		Other equity													
			Reserves and Surplus									Other comprehensive income				
	Number of Shares*	Share capital	Retained earnings	Remeasurement of defined benefit plans	Treasury share reserve	Securities premium	Capital reserve	Capital redemption reserve	Common control transaction capital reserve	Share based payment reserve	Special economic zone re-investment reserve	Foreign currency translation reserve	Cash flow hedging reserve	Debt instruments through other comprehensive income	Total other equity	Total Equity
Balance as at 1 April 2022	**2,713,665,096**	**543**	**39,312**	**35**	**(804)**	**7**	**120**	**14**	**14**	**82**	**2,794**	**4**	**466**	**4**	**42,048**	**42,591**
Profit for the year	-	-	11,459	-	-	-	-	-	-	-	-	-	-	-	11,459	11,459
Other comprehensive income (refer note 2.28)	-	-	-	112	-	-	-	-	-	-	-	21	(387)	(5)	(259)	(259)
Total comprehensive income for the year	**-**	**-**	**11,459**	**112**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**21**	**(387)**	**(5)**	**11,200**	**11,200**
Transactions with owners of the Company																
Contributions and distributions																
Interim dividend of ₹ 48 per share	-	-	(12,995)	-	-	-	-	-	-	-	-	-	-	-	(12,995)	(12,995)
Transfer to special economic zone re-investment reserve	-	-	(1,864)	-	-	-	-	-	-	-	1,864	-	-	-	-	-
Transfer from special economic zone re-investment reserve	-	-	579	-	-	-	-	-	-	-	(579)	-	-	-	-	-
Share based payments to employees	-	-	-	-	-	-	-	-	-	308	-	-	-	-	308	308
Issue of treasury shares to employees			(1)		3					(2)	-	-	-	-	-	-
Balance as at 31 March 2023	**2,713,665,096**	**543**	**36,490**	**147**	**(801)**	**7**	**120**	**14**	**14**	**388**	**4,079**	**25**	**79**	**(1)**	**40,561**	**41,104**
Balance as at 1 April 2023	**2,713,665,096**	**543**	**36,490**	**147**	**(801)**	**7**	**120**	**14**	**14**	**388**	**4,079**	**25**	**79**	**(1)**	**40,561**	**41,104**
Profit for the year	-	-	11,674	-	-	-	-	-	-	-	-	-	-	-	11,674	11,674
Other comprehensive income (refer note 2.28)	-	-	-	19	-	-	-	-	-	-	-	3	418	(1)	439	439
Total comprehensive income for the year	**-**	**-**	**11,674**	**19**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3**	**418**	**(1)**	**12,113**	**12,113**
Transactions with owners of the Company																
Contributions and distributions																
Interim dividend of ₹ 52 per share	-	-	(14,080)	-	-	-	-	-	-	-	-	-	-	-	(14,080)	(14,080)
Transfer to special economic zone re-investment reserve	-	-	(2,259)	-	-	-	-	-	-	-	2,259	-	-	-	-	-
Transfer from special economic zone re-investment reserve	-	-	955	-	-	-	-	-	-	-	(955)	-	-	-	-	-
Share based payments to employees	-	-	-	-	-	-	-	-	-	312	-	-	-	-	312	312
Issue of treasury shares to employees	-	-	(18)	-	79	-	-	-	-	(61)	-	-	-	-	-	-
Excess tax benefit from share based payments	-	-	21	-	-	-	-	-	-	-	-	-	-	-	21	21
Balance as at 31 March 2024	**2,713,665,096**	**543**	**32,783**	**166**	**(722)**	**7**	**120**	**14**	**14**	**639**	**5,383**	**28**	**497**	**(2)**	**38,927**	**39,470**

* Includes treasury shares held by the controlled trust (refer note 2.13)

Refer note 1 for material accounting policies

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

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

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
26 April 2024

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

Roshni Nadar Malhotra
Chairperson
DIN - 02346621

C. Vijayakumar
Chief Executive Officer and Managing Director
DIN - 09244485

S. Madhavan
Director
DIN - 06451889

Prateek Aggarwal
Chief Financial Officer

Goutam Rungta
Corporate Vice President - Finance

Manish Anand
Company Secretary

Noida (UP), India
26 April 2024

Standalone Statement of Cash flows

(All amounts in crores of ₹, except share data and as stated otherwise)

		Year ended	
		31 March 2024	31 March 2023
A	**Cash flows from operating activities**		
	Profit before tax	15,456	14,716
	Adjustment for:		
	Depreciation and amortization expense	2,371	2,431
	Interest income	(787)	(558)
	Dividend income from subsidiaries	(92)	(84)
	Provision for doubtful debts / bad debts written off (net)	6	18
	Income on investments carried at fair value through profit and loss	(156)	(98)
	Interest expense	99	105
	Profit on sale of property, plant and equipment (net)	(4)	(165)
	Share based payments to employees	65	62
	Other non cash charges (net)	(2)	(8)
		16,956	**16,419**
	Net change in		
	Trade receivables	677	(1,693)
	Inventories	10	(12)
	Other financial assets and other assets	189	185
	Trade payables	(425)	389
	Other financial liabilities, contract liabilities, provisions and other liabilities	486	782
	Cash generated from operations	**17,893**	**16,070**
	Income taxes paid (net of refunds)	(2,611)	(2,532)
	Net cash flow from operating activities (A)	**15,282**	**13,538**
B	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and intangibles	(393)	(806)
	Proceeds from sale of property, plant and equipment	14	213
	Investments in bank deposits	(6,720)	(4,278)
	Proceeds from bank deposits	5,158	1,985
	Deposits placed with body corporates	(1,079)	(2,602)
	Proceeds from deposits placed with body corporates	1,605	3,208
	Purchase of investments in securities	(41,123)	(34,013)
	Proceeds from sale/maturity of investments in securities	39,710	35,098
	Dividend received from subsidiaries	92	84
	Interest received	567	454
	Income taxes paid	(162)	(141)
	Net cash flow used in investing activities (B)	**(2,331)**	**(798)**
C	**Cash flows from financing activities**		
	Proceeds from long term borrowings	6	36
	Repayment of long term borrowings	(144)	(70)
	Proceeds from short term borrowings	341	72
	Repayment of short term borrowings	(341)	(72)
	Dividend paid	(14,073)	(12,995)
	Interest paid	(11)	(17)
	Payment of lease liabilities including interest	(258)	(221)
	Net cash flow used in financing activities (C)	**(14,480)**	**(13,267)**
	Net decrease in cash and cash equivalents (A+B+C)	(1,529)	(527)
	Effect of exchange differences on cash and cash equivalents held in foreign currency	(8)	(6)
	Cash and cash equivalents at the beginning of the year	2,374	2,907
	Cash and cash equivalents at the end of the year as per note 2.11 (a)	**837**	**2,374**

Standalone Statement of Cash flows

(All amounts in crores of ₹, except share data and as stated otherwise)

Notes:

1. The total amount of income taxes paid is ₹ 2,773 crores (previous year, ₹ 2,673 crores).
2. Cash and cash equivalents includes unclaimed dividend of ₹ 15 crores (previous year, ₹ 8 crores).
3. Refer note 2.39 for amount spent during the years ended 31 March 2024 and 2023 on construction / acquisition of any asset and other purposes relating to CSR.

The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

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 Limited

Rakesh Dewan
Partner
Membership Number: 092212

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Chief Financial Officer

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Corporate Vice President - Finance

Manish Anand
Company Secretary

Gurugram, India
26 April 2024

Noida (UP), India
26 April 2024

ORGANIZATION AND NATURE OF OPERATIONS

HCL Technologies Limited (hereinafter referred to as "the Company") is primarily engaged in providing a range of IT and business services, engineering and R&D services and modernized software products and IP-led offerings. The Company was incorporated under the provisions of the Companies Act applicable in India in November 1991, having its registered office at 806, Siddharth, 96, Nehru Place, New Delhi- 110019. The Company leverages its global technology workforce and intellectual properties to deliver solutions across following verticals - Financial Services, Manufacturing, Life Sciences & Healthcare, Public Services, Retail & CPG, Technology & Services and Telecom, Media, Publishing and Entertainment.

The standalone financial statements for the year ended 31 March 2024 were approved and authorized for issue by the Board of Directors on 26 April 2024.

1. MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

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

These standalone financial statements have been prepared under the historical cost convention on an accrual and going concern basis except for the following assets and liabilities which have been measured at fair value:

(a) Derivative financial instruments,

(b) Certain financial assets and liabilities (refer accounting policy regarding financial instruments),

(c) Defined benefit plans.

The accounting policies adopted in the preparation of these standalone 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 Company uses the Indian rupee ('₹') as its reporting currency. All amounts are presented in crores of ₹ rounded to whole number and amounts less than ₹ 0.50 crores are presented as "-".

(b) Use of estimates, judgements and assumptions

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, judgements and assumptions are used for, but not limited to,

(i) Accounting for costs expected to be incurred to complete performance under fixed price projects and determination of stand-alone selling prices for each distinct performance obligation in contracts involving multiple performance obligations, refer note 1(f).

(ii) Allowance for uncollectible trade receivables, refer note 1(s)(i).

(iii) Fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis in case of business combination, refer note 1(c).

(iv) Recognition of income and deferred taxes, refer note 1(h) and note 2.27

(v) Key actuarial assumptions for measurement of future obligations under employee benefit plans, refer note 1(q) and note 2.32

(vi) Estimated forfeitures in share-based compensation expenses, refer note 1(r).

(vii) Useful lives of property, plant and equipment, refer note 1(i).

(viii) Lives of intangible assets, refer note 1(j).

(ix) Identification of leases and measurement of lease liabilities and right of use assets, refer note 1(m).

(x) Key assumptions used for impairment of goodwill, refer note 1(o) and note 2.3

(xi) Provisions and contingent liabilities, refer note 1(p) and note 2.35

(xii) Impairment of investment in subsidiaries, refer note 1(s).

(c) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is the aggregate of the consideration transferred measured at fair value at the acquisition date. Acquisition related costs are expensed as incurred.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as financial liability is measured at fair value with changes in fair value recognized in the statement of profit and loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognized as capital reserve after reassessing the fair values of the net assets.

(d) Foreign currency and translation

The financial statements are presented in Indian Rupee (₹), 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 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. Revenue, expenses and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

The translation of foreign operations from respective functional currency into INR (the reporting currency) for assets and liabilities is performed using the exchange rates in effect at the balance sheet date, and for revenue, expenses and cash flows is performed using an appropriate daily weighted average exchange rate for the respective years. The exchange differences arising on translation are reported as a component of 'other comprehensive income (loss)'. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the statement of profit and loss.

(e) 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 in the principal or most advantageous market for that asset or liability.

The Company holds certain fixed income securities, equity securities and derivatives, which must be measured using the guidance for fair value hierarchy and related valuation methodologies. The guidance 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 an entity 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 at fair value are 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 method.

(c) Cost approach – Replacement cost method.

Certain assets are measured at fair value on a non-recurring basis. These assets consist primarily of non-financial assets such as goodwill and intangible assets. Goodwill and intangible assets recognized in business combinations are measured at fair value initially and subsequently when there is an indicator of impairment, the impairment is recognized.

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.

(f) 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. A 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 the 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, system 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.

Revenue related to other fixed price contracts providing maintenance and support services, are recognized based on the right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If 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 product sales are shown net of applicable taxes, discounts and allowances. Revenue related to product with installation services that are critical to the product is recognized when installation of product at customer site is completed and accepted by the customer. If the revenue for a delivered item is not recognized for non-receipt of acceptance from the customer, the cost of the delivered item continues to be in inventory.

Proprietary Software Products

Revenue from distinct proprietary perpetual and term license software is recognized at a point in time at the inception of the arrangement when control transfers to the client. Revenue from proprietary term license software is recognized at a point in time for the committed term of the contract. In case of renewals of proprietary term licenses with existing customers, revenue from term license is recognized at a point in time when the renewal is agreed on signing of contracts. Revenue from support and subscription (S&S) is recognized over the contract term on a straight-line basis as the Company is providing a service of standing ready to provide support, when-and-if needed, and is providing unspecified software upgrades on a when-and-if available basis over the contract term. In case software are bundled with support and subscription either for perpetual or term based license, such support and subscription contracts are generally priced as a percentage of the net fees paid by the customer to purchase the license and are generally recognized as revenues ratably over the contractual period that the support services are provided. Revenue from these proprietary software products is classified under sale of services.

Multiple performance obligation

When a sales arrangement contains multiple performance obligation, such as services, hardware and licensed IPs (software) or combinations of each of them revenue for each element is based on a five step approach as defined above. To the extent a contract includes multiple promised deliverables, judgment is applied to determine whether promised deliverables are capable of being distinct and are distinct in the context of the contract. If these criteria are not met, the promised deliverables are accounted for as a combined performance obligation. For arrangements with multiple distinct performance obligations or series of distinct performance obligations, consideration is allocated among the performance obligations based on their relative standalone selling price. Standalone selling price is the price at which Company would sell a promised good or service separately to the customer. When not directly observable, we estimate standalone selling price by using the expected cost plus a margin approach. We establish a standalone selling price range for our deliverables, which is reassessed on a periodic basis or when facts and circumstances change. If the arrangement contains obligations related to License of Intellectual property (Software) or Lease deliverable, the arrangement consideration allocated to the Software deliverables, lease deliverable as a group is then allocated to each software obligation and lease deliverable.

Revenue recognition for delivered elements is limited to the amount that is not contingent on the future delivery of products or services, future performance obligations or subject to customer-specified return or refund privileges.

Revenue from certain activities in transition services in outsourcing arrangements are not capable of being distinct or represent separate performance obligation. Revenues relating to such transition activities are classified as Contract liabilities and subsequently recognized over the period of the arrangement. Direct and incremental costs in relation to such transition activities which are expected to be recoverable under the contract and generate or enhance resources of the Company that will be used in satisfying the performance obligation in the future are considered as contract fulfillment costs classified as Deferred contract cost and recognized over the period of arrangement. Certain upfront non-recurring incremental contract acquisition costs and other upfront fee paid to customer are deferred and classified as Deferred contract cost and amortized to revenue or cost, usually on a straight line basis, over the term of the contract unless revenues are earned and obligations are fulfilled in a different pattern. The undiscounted future cash flows from the arrangement are periodically estimated and compared with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

In instances when revenue is derived from sales of third-party vendor services, material or licenses, revenue is recorded on a gross basis when the Company is a principal to the transaction and net of costs when the Company is acting as an agent between the customer and the vendor. Several factors are considered to determine whether the Company is a principal or an agent, most notably being company controls the goods or service before it is transferred to customer, latitude in deciding the price being charged to customer. Revenue is recognized net of discounts and allowances, value-added and service taxes, and includes reimbursement of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenues.

Volume discounts, or any other form of variable consideration is estimated using either the sum of probability weighted amounts in a range of possible consideration amounts (expected value), or the single most likely amount in a range of possible consideration amounts (most likely amount), depending on which method better predicts the amount of consideration realizable. Transaction price includes variable consideration only to the extent it is probable that a significant reversal of revenues recognized will not occur when the uncertainty associated with the variable consideration is resolved. Transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Our estimates of variable consideration and determination of whether to include estimated amounts in the transaction price may involve judgment and are based largely on an assessment of our anticipated performance and all information that is reasonably available to us.

The Company recognizes an onerous contract provision when the expected unavoidable costs of meeting the future obligations exceed the expected economic benefits to be received under a contract. Such provision, if any, is recorded in the period in which such losses become probable and is included in cost of revenues.

Revenue recognized but not billed to customers is classified either as contract assets or unbilled receivables in the standalone balance sheet. Contract assets primarily relate to unbilled amounts on those contracts utilizing the cost to cost method of revenue recognition and right to consideration is not unconditional. Contract assets are recognized where there is excess of

revenue over the billings. Unbilled receivables represent contracts where right to consideration is unconditional (i.e. only the passage of time is required before the payment is due). A contract liability arises when there is excess billing over the revenue recognized.

Revenue from sales-type leases is recognized when risk of loss has been transferred to the client and there are no unfulfilled obligations that affect the final acceptance of the arrangement by the client.

Interest attributable to sales-type leases and direct financing leases included therein is recognized on an accrual basis using the effective interest method and is recognized as other income.

(g) 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. Dividend income is recognized when the right to receive payment is established.

(h) Income taxes

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. 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. Tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred income tax assets and liabilities recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are recognized for those temporary differences which originate during the tax holiday period and are reversed after the tax holiday period. For this purpose, reversal of timing differences is determined using first-in-first-out method.

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.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the year that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of branches where it is expected that the earnings of the branch will not be distributed in the foreseeable future.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in the statement of profit and loss.

In some tax jurisdictions, the amount of tax deductions on share based payments to employees are different from the related cumulative remuneration expenses. If the amount of the tax deduction (or estimated future tax deduction) exceeds the amount of the related cumulative remuneration expense, such excess amount of tax deduction and the associated tax benefit is recognized directly in retained earnings.

(i) Property, plant and equipment

Property, plant and equipment 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. The Company identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

Expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains or losses arising from derecognition of 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.

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work- in- progress.

Depreciation on property, plant and equipment 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 assets for computing depreciation are as follows:

Asset description	Asset life (in years)
Buildings	20
Plant and equipment (including air conditioners, electrical installations)	10
Office equipment	5
Computers and networking equipment	4-5
Furniture and fixtures	7
Vehicles	5

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. The estimated useful lives for these assets are therefore different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

(j) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at their fair value at the date of acquisition. Subsequently, following initial recognition, intangible assets are carried at cost less any accumulated amortization and impairment losses.

Intangible assets are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset 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.

The intangible assets are amortized over the estimated useful life of the assets as mentioned below except certain Licensed IPRs which include the right to modify, enhance or exploit are amortized in proportion to the expected benefits over the useful life which could range up to 15 years:

Asset description	Asset life (in years)
Software	3
Licensed IPRs	5 to 15
Customer relationships	1 to 8
Customer contracts	1 to 3
Technology	1 to 8
Others (Includes intellectual property rights and non-compete agreements)	4 to 6

(k) Research and development costs

Research costs are expensed as incurred. Development expenditure, on an individual project, is recognized as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Subsequently, following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

(l) Borrowing costs

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 are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(m) Leases

A lease is a contract that contains right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

Company is lessee in case of leasehold land, office space, accommodation for its employees & IT equipment. These leases are evaluated to determine whether it contains lease based on principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors as defined in Ind AS 116.

Right-of-use asset represents the Company's right to control the underlying assets under lease and the lease liability is the obligation to make the lease payments related to the underlying asset under lease. Right-of-use asset is measured initially based on the lease liability adjusted for any initial direct costs, prepaid rent, and lease incentives. Right-of-use asset is depreciated based on straight line method over the lease term or useful life of right-of-use asset, whichever is less. Subsequently, right-of-use asset is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of lease liability.

The lease liability is measured at the lease commencement date and determined using the present value of the minimum lease payments not yet paid and the Company's incremental borrowing rate, which approximates the rate at which the Company would borrow, in the country where the lease was executed. The Company has used a single discount rate for a portfolio of leases with reasonably similar characteristics. The lease payment comprises fixed payment less any lease incentives, variable lease payment that depends on an index or a rate, exercise price of a purchase option if the Company is reasonably certain to exercise the option and payment of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate the lease. Lease liability is subsequently measured by increase the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made and remeasuring the carrying amount to reflect any reassessment or modification, if any.

The Company has elected to not recognize leases with a lease term of 12 months or less in the balance sheet, including those acquired in a business combination, and lease costs for those short-term leases are recognized on a straight-line basis over the lease term in the statement of profit and loss. For all asset classes, the Company has elected the lessee practical expedient to combine lease and non-lease components and account for the combined unit as a single lease component in case there is no separate payment defined under the contract.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the year in which they are earned or contingency is resolved.

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 finance lease are recognized as a receivables at an amount equal to the present value of lease receivables. 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.

When arrangements include multiple performance obligations, the Company allocates the consideration in the contract between the lease components and the non-lease components on a relative standalone selling price basis.

(n) Inventories

Stock-in-trade, stores and spares are valued at the lower of the cost or net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. 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 identifying 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.

(o) Impairment of non-financial assets

Goodwill

Goodwill is tested annually on March 31, for impairment, or sooner whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Company's cash generating units (CGU) expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU, pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill recognized in the statement of profit and loss is not reversed in the subsequent period.

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. Impairment, if any, is measured by the amount by which the carrying value of the asset exceeds the estimated recoverable amount of the asset. Subsequently if there is a change in the estimates used to determine the recoverable amount, the impairment loss is reversed. Such reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined on the date of reversal, if no impairment loss had been recognized. Such impairment and any subsequent reversal is recognized under the head "Depreciation and amortization expense" in the statement of profit and loss.

(p) 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.

(q) Retirement and other employee benefits

(i) Provident fund: Employees of the Company receive benefits under the provident fund, a defined benefit plan. The employee and employer each make monthly contributions to the plan. A portion of the contribution is made to the provident fund trust managed by the Company or Government administered provident fund; while the balance contribution is made to the Government administered pension fund, a defined contribution plan. For the contribution made by the Company to the provident fund trust managed by the Company, the Company has an obligation to fund any shortfall on the yield of the Trust's investments over the administered interest rates. The liability is actuarially determined (using the projected unit credit method) at the end of the year. The funds contributed to the Trust are invested in specific securities as mandated by law and generally consist of federal and state government bonds, debt instruments of government-owned corporations, equity and other eligible market securities.

(ii) In respect of superannuation, a defined contribution plan for applicable employees, the Company contributes to the superannuation trust and the scheme is administered on its behalf by appointed fund managers 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 provide 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 ₹ 20 lacs per employee). The liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial gains/losses are recognized immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the year in which they occur.

In respect to certain employees in India, the Company contributes towards gratuity liabilities to the Gratuity Fund Trust. Trustees of the Company administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by law.

(iv) Compensated absences: The employees of the Company are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to the specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. 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 statement of profit and loss in the year in which the absences occur. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

(v) Contributions to other defined contribution plans in branches outside India are recognized as expense when employees have rendered services entitling them to such benefits.

(r) Equity settled share based compensation

Share-based compensation represents the cost related to share-based awards granted to employees. The Company measures share-based compensation cost at grant date, based on the estimated fair value of the award and recognizes the cost on a straight line basis (net of estimated forfeitures) over the employee's requisite service period for an award with only service condition and for an award with both service and performance condition on a straight line basis over the requisite service period for each separately vesting portion of the award, as if award was in substance, multiple awards. On modification of an equity settled award, the Company re-estimates the fair value of stock option as on the date of modification and any incremental expense is expensed over the period from the modification date till the vesting date.

The Company estimates the fair value of stock options using option pricing model. The cost is recorded under the head employee benefit expense in the statement of profit and loss with corresponding increase in "Share based payment reserve".

(s) 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.

i. 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 and 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 Company's cash management system. In the standalone balance sheet, bank overdrafts are presented under borrowings within current liabilities.

Financial assets at amortized cost
A financial asset 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, unbilled receivables, trade 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 at fair value through other comprehensive income, is classified 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.

Equity investments
Equity investments in subsidiaries are measured at cost less impairment if any.

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.

ii. 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 and 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 and loss.

Financial liabilities at amortized cost
The Company's financial liabilities at amortized cost are initially recognized at net of transaction costs and includes trade payables, borrowings including bank overdrafts and other payables.

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.

iii. Derivative financial instruments and hedge accounting

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with forecast transactions denominated in certain foreign currencies.

The Company recognizes all derivatives as assets or liabilities measured at their fair value. Changes in fair value for derivatives not designated in a hedge accounting relationship are marked to market at each reporting date and the related gains (losses) are recognized in the statement of profit and loss as 'foreign exchange gains (losses)'.

The foreign exchange forward contracts and options in respect of forecasted transactions which meet the hedging criteria are designated as cash flow hedges. Changes in the fair value of derivatives (net of tax) that are designated as effective cash flow hedges are deferred and recorded in the hedging reserve account as a component of accumulated 'other comprehensive income (loss)' until the hedged transaction occurs and are then recognized in the statement of profit and loss. The ineffective portion of hedging derivatives is immediately recognized in other income in the statement of profit and loss.

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. The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows.

Hedge accounting is discontinued prospectively from the last testing date when (1) it is determined that the derivative financial instrument is no longer effective in offsetting changes in the fair value or cash flows of the underlying exposure being hedged; (2) the derivative financial instrument matures or is sold, terminated or exercised; or (3) it is determined that designating the derivative financial instrument as a hedge is no longer appropriate. When hedge accounting is discontinued the deferred gains or losses on the cash flow hedge remain in 'other comprehensive income (loss)' until the forecast transaction occurs. Any further change in the fair value of the derivative financial instrument is recognized in current year earnings.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

(t) Dividend

Final dividend proposed by the Board of Directors is recognized upon approval by the shareholders who have the right to decrease but not increase the amount of dividend recommended by the Board of Directors. Interim dividends are recognized on declaration by the Board of Directors. Final and interim dividend excludes dividend on treasury shares.

(u) Earnings per share (EPS)

Basic 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 outstanding during the year adjusted for treasury shares held.

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. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Performance based stock unit awards are included in dilutive potential shares when they become contingently issuable and have a dilutive impact and are excluded when they are not contingently issuable. Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for bonus shares.

(v) Nature and purpose of reserves

Remeasurement of defined benefit plans
The Company recognizes actuarial gains/losses on defined benefit plans in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur.

Treasury share reserve
The Company's equity shares held by a trust, which is consolidated as a part of the Company, are classified as Treasury shares. Treasury shares are carried at acquisition cost and presented as a deduction from total equity as "Treasury share reserve". As and when treasury shares are transferred to employees on exercise after satisfaction of the vesting conditions, the balance lying in "Treasury share reserve" is transferred to "Retained earnings".

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares and buyback of shares in accordance with the provisions of the Companies Act, 2013 in India.

Capital redemption reserve
The Company recognizes cancellation of the Company's own equity instruments to capital redemption reserve.

Share based payment reserve
The share-based payment reserve is recognised over the vesting period at the grant date fair value of units issued to employees of the Company and its subsidiaries under the Company's restricted stock unit plan.

Special economic zone re-investment reserve
The Company has created special economic zone (SEZ) re-investment reserve out of profits of the eligible SEZ Units in terms of the specific provisions of Section 10AA(1) of the Income Tax Act, 1961 ("the Act"). The said reserve needs to be utilized by the Company for acquiring plant and machinery for the purposes of its business in the terms of Section 10AA (2) of the Act for availing tax benefit.

Foreign currency translation reserve
Exchange differences arising on translation of the foreign operations are recognized in other comprehensive income as described in the accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit and loss when the net investment is disposed-off.

Cash flow hedging reserve
For hedging foreign currency risk, the Company uses foreign currency forward and option contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognized in the cash flow hedging reserve. Amounts recognized in the cash flow hedging reserve is reclassified to the statement of profit and loss when the hedged item affects profit and loss.

Debt instruments through other comprehensive income
The Company recognizes changes in the fair value of debt instruments held with business objective of collect and sell in other comprehensive income. The Company transfers amounts from this reserve to the statement of profit and loss when the debt instrument is sold.

Common control transaction capital reserve
The Company has created Common Control Transaction Capital Reserve in accordance with the guidance under Appendix C of IND AS 103 "Business Combinations". This reserve is not freely available for distribution.

Capital reserve
Capital Reserve is not freely available for distribution.

(w) Adoption of new accounting principles

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

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 has adopted this amendment effective 1 April 2023. The Company previously accounted for deferred tax on leases on a net basis. Following the amendments, the Company has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. The adoption did not have any impact on the current and comparative periods presented in the financial statements.

(x) Recently issued accounting pronouncements

As on 31 March 2024, there are no new standards or amendments to the existing standards applicable to the Company which has been notified by Ministry of Corporate Affairs.

2. Notes to financial statements

2.1 Property, plant and equipment

The changes in the carrying value for the year ended 31 March 2024

	Freehold land	Buildings	Plant and equipment	Office equipment	Computers and networking equipment	Furniture and fixtures	Vehicles #	Total
Gross block as at 1 April 2023	**62**	**3,373**	**1,459**	**278**	**2,808**	**427**	**155**	**8,562**
Additions	-	11	30	14	168	5	67	**295**
Disposals/other adjustments	-	1	12	6	117	-	21	**157**
Gross block as at 31 March 2024	**62**	**3,383**	**1,477**	**286**	**2,859**	**432**	**201**	**8,700**
Accumulated depreciation as at 1 April 2023	**-**	**1,343**	**1,097**	**231**	**1,739**	**359**	**66**	**4,835**
Depreciation	-	169	99	20	446	20	34	**788**
Disposals/other adjustments	-	2	10	6	110	2	18	**148**
Accumulated depreciation as at 31 March 2024	**-**	**1,510**	**1,186**	**245**	**2,075**	**377**	**82**	**5,475**
Net block as at 31 March 2024	**62**	**1,873**	**291**	**41**	**784**	**55**	**119**	**3,225**

Also refer footnote 1 of note 2.14

The changes in the carrying value for the year ended 31 March 2023

	Freehold land	Buildings	Plant and equipment	Office equipment	Computers and networking equipment	Furniture and fixtures	Vehicles #	Total
Gross block as at 1 April 2022	**56**	**3,360**	**1,481**	**287**	**2,386**	**454**	**139**	**8,163**
Additions	24	73	37	11	458	13	55	**671**
Disposals/other adjustments	18	60	59	20	38	40	39	**274**
Translation exchange differences	-	-	-	-	2	-	-	**2**
Gross block as at 31 March 2023	**62**	**3,373**	**1,459**	**278**	**2,808**	**427**	**155**	**8,562**
Accumulated depreciation as at 1 April 2022	**-**	**1,227**	**1,049**	**224**	**1,328**	**376**	**65**	**4,269**
Depreciation	-	167	105	25	445	21	28	**791**
Disposals/other adjustments	-	51	57	18	34	38	27	**225**
Accumulated depreciation as at 31 March 2023	**-**	**1,343**	**1,097**	**231**	**1,739**	**359**	**66**	**4,835**
Net block as at 31 March 2023	**62**	**2,030**	**362**	**47**	**1,069**	**68**	**89**	**3,727**

Also refer footnote 1 of note 2.14

2.2 Capital work in progress (CWIP)

The following table presents the ageing schedule for Capital-work-in progress:

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2024					
Projects in progress	22	-	-	-	22
	22	**-**	**-**	**-**	**22**
As at 31 March 2023					
Projects in progress	21	-	-	-	21
	21	**-**	**-**	**-**	**21**

During the year ended 31 March 2024 and 31 March 2023, ₹ 21 crores and ₹ 79 crores has been capitalized and transferred from capital work in progress to property, plant and equipment.

There are no overdue projects as at 31 March 2024 and 2023.

2.3 Goodwill

The following table presents the changes in the carrying value of goodwill based on identified CGUs, for the year ended 31 March 2024.

	IT and Business Services	Engineering and R&D services	HCL Software	Total
Opening balance as at 1 April 2023	**344**	**214**	**5,991**	**6,549**
Translation exchange differences	-	-	-	**-**
Closing balance as at 31 March 2024	**344**	**214**	**5,991**	**6,549**

The following table presents the changes in the carrying value of goodwill based on identified CGUs, for the year ended 31 March 2023.

	IT and Business Services	Engineering and R&D services	HCL Software	Total
Opening balance as at 1 April 2022	**344**	**214**	**5,992**	**6,550**
Translation exchange differences	-	-	(1)	**(1)**
Closing balance as at 31 March 2023	**344**	**214**	**5,991**	**6,549**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU, which benefit from the synergies of the acquisition.

Goodwill is tested annually on March 31, for impairment, or sooner whenever there is an indication that goodwill may be impaired. Impairment is recognized, when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The estimated value-in-use of the CGU is based on the future cash flow forecasts for 5 to 6 years and then on perpetuity on the basis of certain assumptions which include revenue growth, earnings before interest and taxes, taxes, capital outflow and working capital requirement. The assumptions are taken on the basis of past trends and management estimates and judgement. Future cash flows are discounted with "Weighted Average Cost of Capital". The key assumptions are as follows:

	As at 31 March 2024		
	IT and Business Services	Engineering and R&D services	HCL Software
Revenue growth rate (average of next 5 years) (%)	7.8	6.0	(0.6)
Terminal revenue growth rate (%)	2.0	2.0	(4.1)
Pre-tax discount rate (%)	12.6	13.8	16.2

	As at 31 March 2023		
	IT and Business Services	Engineering and R&D services	HCL Software
Revenue growth rate (average of next 5 to 6 years) (%)	8.0	6.0	(0.5)
Terminal revenue growth rate (%)	2.0	2.0	(3.7)
Pre-tax discount rate (%)	12.1	13.8	15.7

As at 31 March 2024 and 31 March 2023, the estimated recoverable amount of each CGU exceeded the carrying amount and accordingly, no impairment was recognized. An analysis of the sensitivity of the computation to a change in key assumptions based on reasonable probability did not identify any probable scenario in which the recoverable amount of the CGUs would decrease below the carrying amount.

2.4 Other intangible assets

The changes in the carrying value for the year ended 31 March 2024

	Software	Licensed IPRs	Customer relationships	Customer contracts	Technology	Others	Total
Gross block as at 1 April 2023	**518**	**4,940**	**6,392**	**35**	**2,520**	**14**	**14,419**
Additions	7	46	-	-	-	-	53
Disposals/other adjustments	12	8	-	35	-	-	55
Translation exchange differences	2	-	(1)	-	-	-	1
Gross block as at 31 March 2024	**515**	**4,978**	**6,391**	**-**	**2,520**	**14**	**14,418**
Accumulated amortization and impairment as at 1 April 2023	**418**	**2,649**	**3,312**	**33**	**1,161**	**11**	**7,584**
Amortization, net	52	312	686	1	325	2	1,378
Disposals/other adjustments	12	9	-	34	-	-	55
Accumulated amortization and impairment as at 31 March 2024	**458**	**2,952**	**3,998**	**-**	**1,486**	**13**	**8,907**
Net block as at 31 March 2024	**57**	**2,026**	**2,393**	**-**	**1,034**	**1**	**5,511**
Estimated remaining useful life (in years)	3	9	5	-	5	1	

The changes in the carrying value for the year ended 31 March 2023

	Software	Licensed IPRs	Customer relationships	Customer contracts	Technology	Others	Total
Gross block as at 1 April 2022	**419**	**4,940**	**6,392**	**35**	**2,520**	**14**	**14,320**
Additions	99	-	-	-	-	-	99
Gross block as at 31 March 2023	**518**	**4,940**	**6,392**	**35**	**2,520**	**14**	**14,419**
Accumulated amortization and impairment as at 1 April 2022	**367**	**2,288**	**2,590**	**28**	**833**	**9**	**6,115**
Amortization	51	361	722	5	328	2	1,469
Accumulated amortization and impairment as at 31 March 2023	**418**	**2,649**	**3,312**	**33**	**1,161**	**11**	**7,584**
Net block as at 31 March 2023	**100**	**2,291**	**3,080**	**2**	**1,359**	**3**	**6,835**
Estimated remaining useful life (in years)	3	10	6	1	6	2	

2.5 Investments

	As at	
	31 March 2024	**31 March 2023**
Financial assets		
Non-current		
Unquoted Investment		
Equity investment in subsidiary companies carried at cost (fully paid up)		
459,759,520(31 March 2023, 459,759,520) equity shares of USD 1 each in HCL Bermuda Limited, Bermuda	4,294	4,294
1,280 (31 March 2023, 1,280) equity shares of ₹ 10,000 each, in HCL Comnet Systems & Services Limited	11	11
HCL Technologies (Shanghai) Limited (issued & registered capital)	10	10
1,033,384 (31 March 2023, 1,033,384) equity shares of SGD 1 each, in HCL Singapore Pte. Limited	5	5
30,000,000 (31 March 2023, 30,000,000) equity shares of GBP 1 each fully paid up, in HCL EAS Limited	225	225
1,751,301 (31 March 2023, 1,751,301) equity shares of ₹ 10 each in HCL Training & Staffing Services Private Limited	2	2
100,000 (31 March 2023, 100,000) equity shares of SGD 1 each, in HCL Asia Pacific Pte. Ltd. (Formerly known as Geometric Asia Pacific Pte. Ltd., Singapore)	17	17
Euro 14.05 million (31 March 2023, 14.05 million) invested in equity share capital of Geometric Europe GmbH, Germany	67	67
1,432 (31 March 2023, 1,432) non assessable shares of USD 1 each, in Geometric Americas, Inc., U.S.A	224	224
7,589,107 (31 March 2023, 7,589,107) equity shares of ₹ 2 each in Sankalp Semiconductor Private Limited	185	185
47,580,000 (31 March 2023, 47,580,000) ordinary shares of Sri Lankan Rupees 10 each in HCL Technologies Lanka (Private) Limited	17	17
50,000 (31 March 2023, 50,000) ordinary shares of ₹ 10 each in HCL Technologies Jigani Limited*	-	-
	5,057	**5,057**
Less: excess cost over fair value reimbursed for treasury shares**	(17)	-
	5,040	**5,057**
Current		
Quoted investments		
Carried at fair value through other comprehensive income		
Investment in debt securities	3,491	3,601
Unquoted Investments		
Carried at fair value through profit and loss		
Investment in mutual funds	3,310	1,501
	6,801	**5,102**
Total investments - financial assets	**11,841**	**10,159**
Aggregate amount of quoted investments	3,491	3,601
Aggregate amount of unquoted investments	8,350	6,558
Market value of quoted investments	3,491	3,601
Equity instruments carried at cost	5,040	5,057
Investment carried at fair value through other comprehensive income	3,491	3,601
Investment carried at fair value through profit and loss	3,310	1,501

Note:-

* Represent value less than ₹ 0.50 crore.

2.5 Investments

Note:-

**Treasury shares allotted to the employees of below mentioned subsidiaries :

	As at	
	31 March 2024	31 March 2023
Statestreet HCL Services (India) Private Limited	0.04	-
HCL America Inc.	15.66	0.04
HCL Canada Inc.	0.06	-
HCL Technologies UK Limited	1.19	-
HCL Technologies Sweden AB	0.16	-
HCL Singapore Pte. Limited	0.06	-
	17.16	**0.04**

2.6 Trade receivables

(a) Non-current

	As at	
	31 March 2024	31 March 2023
Unbilled receivables	162	82
	162	**82**

(b) Current

	As at	
	31 March 2024	31 March 2023
Billed		
Unsecured, considered good (refer note below)	3,985	5,464
Trade receivables - credit impaired	53	40
	4,038	**5,504**
Loss allowance for bad and doubtful debts (refer note 2.31(c))	(158)	(187)
	3,880	**5,317**
Unbilled receivables (refer note below)	8,278	7,596
	12,158	**12,913**

Note: Includes receivables from related parties amounting to ₹ 8,006 crores (31 March 2023, ₹ 8,349 crores).

Trade receivables - current	**Not Due**	**Outstanding as at 31 March 2024 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	2,577	980	97	128	121	82	3,985
Undisputed - credit impaired	-	3	-	3	5	-	11
Disputed - credit impaired	-	3	3	2	-	34	42
	2,577	986	100	133	126	116	4,038
Loss allowance for bad and doubtful debts							(158)
							3,880
Unbilled receivables	8,278	-	-	-	-	-	8,278
							12,158

Trade receivables - current	Not Due	Outstanding as at 31 March 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	2,833	1,873	230	224	101	203	5,464
Undisputed - credit impaired	1	3	2	2	-	-	8
Disputed - credit impaired	-	1	1	-	-	30	32
	2,834	1,877	233	226	101	233	5,504
Loss allowance for bad and doubtful debts							(187)
							5,317
Unbilled receivables	7,596	-	-	-	-	-	7,596
							12,913

2.7 Loans

	As at	
	31 March 2024	31 March 2023
Non - current		
Carried at amortized cost		
Unsecured, considered good		
Inter corporate deposits	286	-
	286	**-**
Current		
Carried at amortized cost		
Unsecured, considered good		
Inter corporate deposits	793	2,602
	793	**2,602**

2.8 Other financial assets

	As at	
	31 March 2024	31 March 2023
Non - current		
Carried at amortized cost		
Finance lease receivables (refer note 2.30(b))	69	97
Security deposits	59	59
Security deposits - related parties (refer note 2.33)	16	13
Bank deposits with more than 12 months maturity	1	378
Others - related parties (refer note 2.33) (refer note below)	58	265
	203	**812**
Carried at fair value through other comprehensive income		
Unrealized gain on derivative financial instruments (refer note 2.31(a))	438	63
	641	**875**
Current		
Carried at amortized cost		
Finance lease receivables (refer note 2.30(b))	85	101
Interest receivables	343	253
Security deposits	19	25
Security deposits - related parties (refer note 2.33)	9	10
Others - related parties (refer note 2.33) (refer note below)	457	114
Others	10	8
	923	**511**

	As at	
	31 March 2024	31 March 2023
Carried at fair value through other comprehensive income		
Unrealized gain on derivative financial instruments (refer note 2.31(a))	204	79
Carried at fair value through profit and loss		
Unrealized gain on derivative financial instruments (refer note 2.31(a))	1	13
	1,128	**603**

Notes:
Includes ₹ 503 crores (31 March 2023, ₹ 311 crores) recoverable from subsidiaries againts RSUs awarded to the employees of the subsidiaries.

2.9 Inventories

	As at	
	31 March 2024	31 March 2023
Stock-in-trade	25	35
	25	**35**

2.10 Other non- current assets

	As at	
	31 March 2024	31 March 2023
Unsecured, considered good		
Capital advances	6	4
Advances other than capital advances		
Security deposits	31	32
Others		
Prepaid expenses	42	38
Deferred contract cost (refer note 2.21)	199	202
	278	**276**

2.11 Cash and cash equivalents and other bank balances

	As at	
	31 March 2024	31 March 2023
(a) Cash and cash equivalents		
Balance with banks	409	302
Deposits with original maturity of less than 3 months (including deposits with corporations and financial institutions with original maturity less than 3 months)	116	2,008
Remittances in transit	280	16
Cheques in hand	17	40
Unclaimed dividend account	15	8
	837	**2,374**
(b) Other bank balances		
Short-term deposits	6,792	3,857

2.12 Other current assets

	As at	
	31 March 2024	31 March 2023
Unsecured, considered good		
Advances other than capital advances		
Security deposits	28	39
Advances to suppliers	31	23
Advances to employees	19	16

	As at	
	31 March 2024	31 March 2023
Others		
Prepaid expenses	476	447
Deferred contract cost (refer note 2.21)	139	221
Deferred contract cost-related parties (refer note 2.33)	-	1
Contract assets	133	162
Others	179	170
	1,005	**1,079**
Unsecured, considered doubtful		
Advances other than capital advances		
Advances to employees	-	68
Other advances	6	15
Less: provision for doubtful advances	(6)	(83)
	-	**-**
	1,005	**1,079**

2.13 Equity share capital

	As at	
	31 March 2024	31 March 2023
Authorized		
3,017,000,000 (31 March 2023, 3,017,000,000) equity shares of ₹ 2 each	603	603
Issued, subscribed and fully paid up		
2,713,665,096 (31 March 2023, 2,713,665,096) equity shares of ₹ 2 each	543	543

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 financial year

	As at			
	31 March 2024		31 March 2023	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Number of shares at the beginning	2,713,665,096	543	2,713,665,096	543
Number of shares at the end	2,713,665,096	543	2,713,665,096	543

The Company does not have any holding/ ultimate holding company.

Reconciliation of the number of treasury shares held by controlled trust at the end of the financial year

	No. of shares	
	As at	
	31 March 2024	31 March 2023
Number of shares at the beginning	6,300,153	6,320,000
Less: Issue of treasury to employees on exercise of RSUs	(625,574)	(19,847)
Number of shares at the end	5,674,579	6,300,153

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

Name of the shareholder	As at			
	31 March 2024		31 March 2023	
	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	1,198,549,941	44.17%	1,198,549,941	44.17%
HCL Holdings Private Limited	446,662,032	16.46%	446,662,032	16.46%

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.

Details of promoters holding in the company is as follows

Promoter name	31 March 2024		31 March 2023		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Vama Sundari Investments (Delhi) Private Limited	1,198,549,941	44.17%	1,198,549,941	44.17%	0.00%
HCL Holdings Private Limited	446,662,032	16.46%	446,662,032	16.46%	0.00%
HCL Corporation Private Limited	4,593,104	0.17%	4,593,104	0.17%	0.00%
Ms. Kiran Nadar	494,602	0.02%	494,602	0.02%	0.00%
Mr. Shiv Nadar	736	0.00%	736	0.00%	0.00%
Ms. Roshni Nadar Malhotra	696	0.00%	696	0.00%	0.00%
	1,650,301,111	**60.81%**	**1,650,301,111**	**60.81%**	**0.00%**

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	
	31 March 2024	31 March 2023
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
Aggregate number and class of shares allotted as fully paid up by way of bonus shares	1,356,832,548 Equity shares	1,356,832,548 Equity shares
Aggregate number and class of shares bought back	Nil	36,363,636 Equity shares

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 has been declaring quarterly dividend for last 21 years. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements have been generally met through operating cash flows generated.

Restricted Stock Unit Plan 2021 ("RSU 2021" or "Plan")
In November 2021, the Company instituted the Restricted Stock Unit Plan 2021 to provide equity-based incentives to all eligible employees of the Company and its subsidiaries. The Plan is administered by the Nomination and Remuneration Committee (NRC) of the Company through a controlled Trust. A maximum of 11,100,000 Restricted stock units (RSU) may be granted under the Plan. Each RSU granted under the plan entitles the holder to one equity share of the Company at an exercise price, which is approved by the Nomination and Remuneration Committee.

NRC granted RSUs to the eligible employees of the Company and its subsidiaries under the Plan. Subsequent to this grant, the trust acquired shares from secondary market for the purpose of implementation of the Plan.
A summary of the general terms of grants under RSU 2021 plan is as below:

	RSU Plan 2021
Maximum number of RSUs under the plan	11,100,000
Method of settlement (cash / equity)	Equity
Vesting period (maximum)	5 years
Exercise price at par	₹2
Exercise period from the date of vesting (maximum)	6 months

The details of activity under the plan has been summarized below:

	Year ended			
	31 March 2024		31 March 2023	
	No. of RSUs	Weighted average exercise price (₹)	No. of RSUs	Weighted average exercise price (₹)
Outstanding at the beginning of the year	7,753,568	2	7,765,791	2
Add: Granted during the year	312,335	2	726,164	2
Less: Forfeited during the year	(516,328)	-	(718,540)	-
Less: Exercised during the year	(625,574)	2	(19,847)	2
Less: Expired during the year	(3,034)	-	-	-
RSUs outstanding at the end of the year	6,920,967	2	7,753,568	2
RSUs exercisable at the end of the year	5,253,882	2	137,537	2

The weighted average share price of RSUs exercised during the year was ₹ 1,162 (31 March 2023, ₹ 1,040)

Total number of outstanding RSUs include 842,404 (31 March 2023, 1,524,526) performance based RSUs, including those linked to relative performance parameters against selected industry peers, given to certain senior employees. Number of shares expected to vest will be based on actual performance for each of the performance parameters. All other RSUs will vest if the employee continues to be in service and on the roles of the Company or its subsidiaries on the vesting date.

Outstanding performance based RSUs also includes 57,730 (31 March 2023, 282,008) RSUs, for which performance targets will be finalized and communicated in subsequent years. Cost for these RSUs will be accounted from date of finalization of performance targets.

The details of exercise price for RSUs outstanding is as below:

Name of the plan	Exercise price (₹)	Number of RSUs outstanding	Weighted average remaining contractual life of RSUs (in years)
Restricted Stock Unit Plan 2021			
At 31 March 2024	2	6,920,967	0.6
At 31 March 2023	2	7,753,568	1.4

The fair value of the awards are determined using the Black-Scholes Model for RSUs with time and non-market performance-based vesting conditions and Monte Carlo simulation model is used for RSUs with market performance based vesting conditions. The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk-free rate of interest. Expected volatility during the term of the RSUs is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the RSUs. Expected volatility of the selected industry peers have been modelled based on historical movements in the market prices of their publicly traded equity shares during a period equivalent to the expected term of the RSUs. Correlation coefficient is calculated between each peer entity based on the historical weekly share prices of the companies.

The fair value of each equity-settled award granted during the year is estimated on the date of grant using the following assumptions:

	Year ended	
	31 March 2024	31 March 2023
Weighted average fair value (₹)	1,069	922
Weighted average share price (₹)	1,214	1,048
Exercise Price (₹)	2	2
Expected Volatility (%)	22.7 - 29.3	25.7 - 33.6
Life of the units granted (vesting and exercise period) in years	1.3 - 4.5	1.3 - 3.9
Expected dividends (%)	3.9 - 4.4	3.6 - 5.1
Average risk-free interest rate (%)	6.8 - 7.1	4.9 - 7.1

The expected life of the RSU is estimated based on the vesting term and contractual term of the RSU, as well as expected exercise behavior of the employee who receives the RSU.

2.14 Borrowings

	Non-current		Current	
	As at		As at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Long term borrowings				
Secured				
Term loan from banks (refer note 1 below)	26	40	16	19
Unsecured				
Term loans from banks (refer note 2 below)	-	11	11	121
	26	**51**	**27**	**140**
Less: current maturities of long term borrowings	-	-	(27)	(140)
	26	**51**	**-**	**-**
Unsecured short term borrowings				
Current maturities of long term borrowings	-	-	27	140
	-	**-**	**27**	**140**

Note:

1. The Company has term loans of ₹ 42 crores (31 March 2023, ₹ 59 crores) secured against gross block of vehicles of ₹ 128 crores (31 March 2023, ₹ 141 crores) at interest rate ranging from 7.50% p.a. to 9.15% p.a.(31 March 2023, 7.45% p.a. to 9.15% p.a) The loans are repayable over a period of 3 to 5 years on a monthly basis.

2. Unsecured long term loan of ₹ 11 crores (31 March 2023, ₹ 132 crores) borrowed from banks at interest rates ranging from 9.10% p.a. to 9.15% p.a. (31 March 2023, 8.35% p.a. to 8.70% p.a.). The loan is repayable till July 2024.

2.15 Trade payables - current

	As at	
	31 March 2024	31 March 2023
Trade payables	348	356
Trade payables-related parties (refer note 2.33)	561	888
	909	**1,244**
Unbilled and accruals	532	638
Unbilled and accruals-related parties (refer note 2.33)	903	901
	1,435	**1,539**
	2,344	**2,783**

Particulars	Not Due	Outstanding as at 31 March 2024 from the due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME - undisputed	24	-	-	-	-	24
(ii) Others - undisputed	316	533	35	-	1	885
	340	533	35	-	1	909
Unbilled and accruals						1,435
						2,344

Particulars	Not Due	Outstanding as at 31 March 2023 from the due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME - undisputed	23	-	-	-	-	23
(ii) Others - undisputed	333	879	4	3	2	1,221
	356	879	4	3	2	1,244
Unbilled and accruals						1,539
						2,783

Relationship with Struck off companies

Name of the struck off Company	Nature of Transactions	Relationship	Year ended			
			31 March 2024		31 March 2023	
			Transaction	Balance outstanding	Transaction	Balance outstanding
Zarunodaya Electromechanical Pvt Ltd	Payables	Vendor	-	-	-*	-
Rushabhdev Commodities Broking	Receivables	Customer	-	-	-*	-
SRV Commodities Pvt. Ltd	Receivables	Customer	-	-	-*	-
Mountain Valley Sprrings Pvt. Ltd	Receivables	Customer	-	-	-*	-

* amounts are less than 0.50 crores

2.16 Other financial liabilities

	As at	
	31 March 2024	31 March 2023
Non - current		
Carried at amortized cost		
Employee bonuses accrued	1	1
Capital accounts payables	4	13
Others	3	-
	8	**14**
Carried at fair value through other comprehensive income		
Unrealized loss on derivative financial instruments (refer note 2.31(a))	-	15
	8	**29**
Current		
Carried at amortized cost		
Interest accrued but not due on borrowings	-	1
Unclaimed dividends	15	8
Accrued salaries and benefits		
Employee bonuses accrued	1,099	976
Other employee costs	471	621
Others		
Liabilities towards customer contracts	8	66
Capital accounts payables	146	177
Others	4	5
	1,743	**1,854**
Carried at fair value through other comprehensive income		
Unrealized loss on derivative financial instruments [refer note 2.31(a)]	-	6
Carried at fair value through profit and loss		
Unrealized loss on derivative financial instruments [refer note 2.31(a)]	5	7
	1,748	**1,867**

2.17 Contract liabilities

	As at	
	31 March 2024	31 March 2023
Non - Current		
Contract liabilities (refer note 2.21)	100	154
Contract liabilities - related parties (refer note 2.21 and 2.33)	1	-
	101	**154**
Current		
Contract liabilities (refer note 2.21)	1,086	1,210
Contract liabilities - related parties (refer note 2.21 and 2.33)	2,742	2,498
	3,828	**3,708**

2.18 Provisions

	As at	
	31 March 2024	31 March 2023
Non - Current		
Provision for employee benefits		
Provision for gratuity (refer note 2.32)	752	627
Provision for leave benefits	313	252
	1,065	**879**
Current		
Provision for employee benefits		
Provision for gratuity (refer note 2.32)	161	141
Provision for leave benefits	117	120
Other provisions	64	22
	342	**283**

2.19 Other non-current liabilities

	As at	
	31 March 2024	31 March 2023
Others deposits	57	40
	57	**40**

2.20 Other current liabilities

	As at	
	31 March 2024	31 March 2023
Advances received from customers	43	101
Withholding and other statutory dues	449	291
Others	8	-
	500	**392**

2.21 Revenue from operations

	Year ended	
	31 March 2024	31 March 2023
Sale of services	47,957	46,091
Sale of hardware and software	161	185
	48,118	**46,276**

Disaggregate Revenue information

The disaggregated revenue from customers by geographic area based on location of the customer is as follows.

	Year ended	
	31 March 2024	**31 March 2023**
America	12,884	13,533
Europe	26,686	24,188
India*	3,828	3,954
Rest of world	4,720	4,601
	48,118	**46,276**

* includes revenue billed to India based captive of global customers

Remaining performance obligations
Remaining performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). As at 31 March 2024, the aggregate amount of transaction price allocated to remaining performance obligation as per the requirements of Ind AS 115 was ₹ 51,922 crores (31 March 2023, ₹ 43,633 crores) out of which, approximately 42% (31 March 2023, 40%) is expected to be recognized as revenues within one year and the balance beyond one year. These amounts are not adjusted for variable consideration allocated to remaining performance obligation, which are not probable. These amounts also exclude contracts for which we recognize revenues based on the right to invoice for services performed and contracts where consideration is in the form of a sales-based or usage-based royalty promised in exchange for a license of intellectual property.

Contract balances
Contract assets : ₹ 133 crores of contract assets as on 31 March 2024, pertains to current year.

Contract liabilities :

The below table discloses the movement in the balance of contract liabilities :

	Year ended	
	31 March 2024	**31 March 2023**
Balance as at beginning of the year	3,862	3,373
Additional amounts billed but not recognized as revenue	2,544	2,231
Deduction on account of revenues recognized during the year	(2,481)	(1,750)
Translation exchange differences	4	8
Balance as at end of the year	**3,929**	**3,862**

Deferred contract cost: Deferred contract cost primarily represents the contract fulfilment cost and cost for obtaining the contract.

The below table discloses the significant movement in deferred contract cost :

	Year ended	
	31 March 2024	**31 March 2023**
Balance as at beginning of the year	424	501
Additional cost capitalised during the year	141	130
Deduction on account of cost amortised during the year	(226)	(210)
Translation exchange differences	(1)	3
Balance as at end of the year	**338**	**424**

Reconciliation of revenue recognised with the contracted price is as follows:

	Year ended	
	31 March 2024	**31 March 2023**
Contracted price	48,262	46,413
Reduction towards variable consideration components	(144)	(137)
Revenue recognised	**48,118**	**46,276**

The reduction towards variable consideration comprises of volume discounts, service level credits, etc.

2.22 Other income

	Year ended	
	31 March 2024	31 March 2023
Interest income		
- On debt securities	226	193
- On bank and other deposits	548	351
- On income tax refund	-	1
- On others	13	13
Income on investments carried at fair value through profit and loss		
- Unrealized gains on fair value changes on mutual funds	10	3
- Profit on sale of mutual funds	146	95
Dividends from subsidiary companies	92	84
Profit on sale of property, plant and equipment (net) (refer note below)	4	165
Exchange differences (net)	-	83
Miscellaneous income	37	43
	1,076	**1,031**

Note: Net of loss on sale of property, plant & equipment ₹ 1 crores (previous year, ₹ 2 crores).

2.23 Changes in inventories of stock-in-trade

	Year ended	
	31 March 2024	31 March 2023
Opening stock	35	23
Less : Closing stock	25	35
	10	**(12)**

2.24 Employee benefits expense

	Year ended	
	31 March 2024	31 March 2023
Salaries, wages and bonus	19,951	18,868
Contribution to provident fund and other employee funds	800	752
Share based payments to employees	65	62
Staff welfare expenses	149	117
	20,965	**19,799**

2.25 Finance cost

	Year ended	
	31 March 2024	31 March 2023
Interest on lease liabilities	49	44
Interest on direct taxes	40	44
Other interest costs and bank charges	36	39
	125	**127**

2.26 Other expenses

	Year ended	
	31 March 2024	31 March 2023
Rent (refer note 2.30)	2	7
Power and fuel	193	189
Insurance	80	75
Repairs and maintenance	451	371
Communication costs	154	141
Travel and conveyance	496	499
Legal and professional charges	166	140
Software license fee	711	597
Rates and taxes	41	54
Recruitment, training and development	161	273
Expenditure toward corporate social responsibility activities (refer note 2.39)	261	238
Provision for doubtful debts/bad debts written off (net)	6	18
Exchange differences (net)	9	-
Others	296	185
	3,027	**2,787**

2.27 Income taxes

	Year ended	
	31 March 2024	31 March 2023
Income tax charged to statement of profit and loss		
Current income tax charge	2,873	3,045
Deferred tax charge	909	212
	3,782	**3,257**
Income tax charged to other comprehensive income		
Expense (benefit) on re-measurements of defined benefit plans	8	63
Expense (benefit) on revaluation of cash flow hedges	112	(79)
Expense (benefit) on unrealized gain (loss) on debt instruments	-	(3)
	120	**(19)**

The reconciliation between the Company's provision for income tax and amount computed by applying the statutory income tax rate in India is as follows:

	Year ended	
	31 March 2024	31 March 2023
Profit before tax	15,456	14,716
Statutory tax rate in India	34.94%	34.94%
Expected tax expense	5,401	5,142
Tax effect of adjustments to reconcile expected tax expense to reported tax expense		
Non-taxable export income	(1,674)	(1,739)
Non-taxable other income	-	(66)
Provision (reversal) due to change in tax position and impact of prior period provision	(8)	(64)
Others (net)	63	(16)
Total taxes	**3,782**	**3,257**
Effective income tax rate	**24.47%**	**22.14%**

The company has benefited from certain tax incentives that the Government of India has provided for the units situated in Special Economic Zones (SEZs) under the Special Economic Zone Act, 2005, which began providing services on or after 1 April 2005. The eligible units are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the year of commencement of operations and 50% of such profits and gains for the next five years. Certain tax benefits are also available for a further period of five years subject to meeting reinvestment conditions. The aforesaid tax benefits will not be available to units having commenced the operations after 31 March 2021.

The Company is subject to Minimum Alternate Tax (MAT) on its book profits, which gives rise to future economic benefits in the form of adjustment of future income tax liability. MAT paid for a year can be set-off against the normal tax liability within fifteen subsequent years, expiring between the years 2025 to 2035.

Corporate taxpayers can opt for a specified lower tax rate in lieu of current applicable tax rate subject to taxpayers not claiming any specified tax incentives including tax incentives available to special economic zone units and carryover of unutilized MAT credit ('new tax regime'). The Company will opt for new tax regime in the year new tax regime is beneficial to the Company.

The tax returns are subject to examination by the tax authorities in the jurisdictions where the Company conducts business. Regular tax examination is open in India, for tax years beginning 1 April 2022 and certain matters relating to prior years for which the tax assessment has already got concluded are subject to ongoing litigations, appeals and reassessment proceedings. The Company has significant inter-company transactions with its subsidiaries and has also filed for bilateral advance pricing agreements in certain jurisdictions starting from 1 April 2017 for which the resolutions are yet to be reached. These may result in assessment of additional taxes that may need to be resolved with the authorities or through legal proceedings. Resolution of these matters involves some degree of uncertainty; accordingly, the Company recognizes income tax liability that it believes will ultimately result from the proceedings.

Components of deferred tax assets and liabilities as on 31 March 2024

	Opening balance	Recognized in profit and loss	Recognised in / reclassified from OCI	Recognized directly in equity against tax liability	Closing balance
Deferred tax assets					
MAT credit entitlement	2,073	(1,023)	-	-	1,050
Provision for doubtful debts	94	(8)	-	-	86
Accrued employee costs	393	39	(8)	-	424
Property, plant and equipment	3	(3)	-	-	-
Lease liability	186	37	-	-	223
Employee stock compensation	-	-	-	21	21
Others	131	(47)	-	-	84
Gross deferred tax assets (A)	**2,880**	**(1,005)**	**(8)**	**21**	**1,888**
Deferred tax liabilities					
Property, plant and equipment	101	(47)	-	-	54
Intangibles and goodwill	2,063	(99)	-	-	1,964
Right-of-use assets	150	44	-	-	194
Unrealized gain on derivative financial instruments	17	-	112	-	129
Others	6	6	-	-	12
Gross deferred tax liabilities (B)	**2,337**	**(96)**	**112**	**-**	**2,353**
Net deferred tax liability (A-B)	**543**	**(909)**	**(120)**	**21**	**(465)**

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

	Opening balance	Recognized in profit and loss	Recognised in / reclassified from OCI	Recognized directly in equity against tax liability	Closing balance
Deferred tax assets					
MAT credit entitlement	2,358	(285)	-	-	2,073
Provision for doubtful debts	88	6	-	-	94
Accrued employee costs	406	50	(63)	-	393
Property, plant and equipment	-	3	-	-	3
Lease liability	189	(3)	-	-	186
Others	142	(11)	-	-	131
Gross deferred tax assets (A)	**3,183**	**(240)**	**(63)**	**-**	**2,880**
Deferred tax liabilities					
Property, plant and equipment	96	5	-	-	101
Intangibles and goodwill	2,104	(41)	-	-	2,063
Right-of-use assets	147	3	-	-	150
Unrealized gain on derivative financial instruments	96	-	(79)	-	17
Others	4	5	(3)	-	6
Gross deferred tax liabilities (B)	**2,447**	**(28)**	**(82)**	**-**	**2,337**
Net deferred tax assets (A-B)	**736**	**(212)**	**19**	**-**	**543**

2.28 Components of other comprehensive income

		Year ended	
		31 March 2024	31 March 2023
A	**Items that will not be reclassified to statement of profit and loss**		
	Remeasurement of defined benefit plans		
	Opening balance (net of tax)	147	35
	Actuarial gains or loss	27	175
	Income tax expense	(8)	(63)
	Closing balance (net of tax)	**166**	**147**
B	**Items that will be reclassified subsequently to statement of profit and loss**		
	Foreign currency translation reserve		
	Opening balance	25	4
	Foreign currency translation	3	21
	Closing balance	**28**	**25**
	Cash flow hedging reserve		
	Opening balance (net of tax)	79	466
	Unrealized gains (losses)	637	(381)
	Net gain reclassified into statement of profit and loss on occurrence of hedged transactions	(107)	(85)
	Income tax benefit	(112)	79
	Closing balance (net of tax)	**497**	**79**
	Unrealized gain on debt instruments		
	Opening balance (net of tax)	(1)	4
	Unrealized losses	(1)	(8)
	Income tax benefit	-	3
	Closing Balance (net of tax)	**(2)**	**(1)**
	TOTAL (B)	**523**	**103**

2.29 Earnings per equity share (EPS)

The computation of earnings per equity share is as follows:

	Year ended	
	31 March 2024	31 March 2023
Net profit as per statement of profit and loss	11,674	11,459
Weighted average number of equity shares outstanding in calculating basic EPS	2,707,840,239	2,707,383,472
Dilutive effect of Restricted stock units outstanding	6,025,296	3,315,727
Weighted average number of equity shares outstanding in calculating diluted EPS	2,713,865,535	2,710,699,199
Nominal value of equity shares (in ₹)	2	2
Earnings per equity share (in ₹)		
- Basic	43.11	42.32
- Diluted	43.02	42.27

2.30 Leases

(a) Company as a lessee

The Company's significant leasing arrangements are in respect of leases for office spaces, leasehold land and IT equipments.

The details of the right-of-use assets held by the Company is as follows:

	Leasehold land	Buildings	Computers and networking equipments	Total
Balance as at 1 April 2022	**336**	**537**	2	**875**
Depreciation	(4)	(167)	-	(171)
Additions	2	172	-	174
Derecognition	(9)	(48)	-	(57)
Translation exchange differences	-	3	-	3
Balance as at 31 March 2023	**325**	**497**	2	**824**
Balance as at 1 April 2023	**325**	**497**	2	**824**
Depreciation	(4)	(190)	(11)	(205)
Additions	-	414	21	435
Derecognition	-	(7)	-	(7)
Translation exchange differences	-	(1)	2	1
Balance as at 31 March 2024	**321**	**713**	**14**	**1,048**

The reconciliation of lease liabilities is as follows:

	Year ended	
	31 March 2024	31 March 2023
Balance as at beginning of the year	**608**	**654**
Additions	469	185
Amounts recognized in statement of profit and loss as interest expense	49	44
Payment of lease liabilities	(258)	(221)
Derecognition	(6)	(56)
Translation exchange differences	(1)	2
Balance as at end of the year	**861**	**608**

The lease rental expense relating to short-term leases recognized in the statement of profit and loss for the year amounted to ₹ 2 crores (Previous year, ₹ 7 crores) .

The following table presents a maturity analysis of expected undiscounted cash flows for lease liabilities :

	As at	
	31 March 2024	**31 March 2023**
Within one year	263	208
One to two years	243	160
Two to three years	209	129
Three to five years	254	165
Thereafter	26	37
Total lease payments	**995**	**699**
Imputed interest	(134)	(91)
Total lease liabilities	**861**	**608**

Certain lease agreements include options to terminate or extend the leases. The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Lease liability excludes extension options, as the company can replace these assets without significant cost or business disruption. As at 31 March 2024, undiscounted potential future cash outflows of ₹ 631 crores (31 March 2023, ₹ 496 crores) have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

(b) Company as a lessor

The Company has given IT equipments to its customers on a finance lease basis. The future lease receivables in respect of assets given on finance lease are as follows:

	Total minimum lease payments receivable	**Interest included in minimum lease payments receivable**	**Present value of minimum lease payments receivable**
As at 31 March 2024			
Not later than one year	89	4	85
Later than one year and not later than 5 years	73	4	69
	162	**8**	**154**
As at 31 March 2023			
Not later than one year	106	5	101
Later than one year and not later than 5 years	102	5	97
	208	**10**	**198**

2.31 Financial instruments

(a) Derivatives

The Company is exposed to foreign currency fluctuations on assets / liabilities and forecasted cash flows denominated in foreign currency. The use of derivatives to hedge the risk 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 company determines hedge ratio based on prevailing market conditions, availability and liquidity of hedging instruments, and hedge ineffectiveness. The counterparty in these derivative instruments are banks and the Company considers the risks of non-performance by the counterparty as insignificant. The Company has entered into a series of foreign exchange forward contracts and options that are designated as cash flow hedges and the related forecasted transactions extend through March 2029. The Company does not use these derivative instruments for speculative purposes.

The following table presents the aggregate notional principal amounts of the outstanding derivative instruments which have been designated as cash flow hedges:

Foreign exchange forward denominated in	Notional Currency	Notional principal amounts (amount in millions)	Balance sheet exposure Asset (Liability) (₹)
As at 31 March 2024			
Forward contracts (sell covers)			
USD / INR	USD	2,406	299
GBP / INR	GBP	121	12
EUR / INR	EUR	228	83
CHF / INR	CHF	53	15
SEK / INR	SEK	1,105	62
AUD / INR	AUD	59	38
NOK / INR	NOK	165	9
CAD / INR	CAD	33	10
JPY / INR	JPY	5,962	77
SGD / INR	SGD	59	13
Range Forward (Sell covers)			
USD / INR	USD	243	8
GBP / INR	GBP	30	2
EUR / INR	EUR	60	14
			642

Foreign exchange forward denominated in	Notional Currency	Notional principal amounts (amount in millions)	Balance sheet exposure Asset (Liability) (₹)
As at 31 March 2023			
Forward contracts (sell covers)			
USD / INR	USD	1,622	(77)
GBP / INR	GBP	90	19
EUR / INR	EUR	170	52
CHF / INR	CHF	55	1
SEK / INR	SEK	330	44
AUD / INR	AUD	96	30
NOK / INR	NOK	60	6
CAD / INR	CAD	26	6
JPY / INR	JPY	6,655	14
Range Forward (Sell covers)			
USD / INR	USD	599	26
GBP / INR	GBP	7	-
EUR / INR	EUR	6	-
			121

The Company has entered into derivatives instrument not designated as hedging relationship by way of foreign exchange forwards, currency options and futures contracts. As at 31 March 2024 and 2023, the notional principal amount of outstanding contracts aggregated to ₹ 3,138 crores and ₹ 4,733 crores, respectively and the respective balance sheet exposure of these contracts have a net loss of (₹3) crores and net gain of ₹ 6 crores.

The notional amount is a key element of derivative financial instrument agreements. However, notional amounts do not represent the amount exchanged by counterparties and do not measure the Company's exposure to credit risk as these contracts are settled at their fair values at the maturity date.

The balance sheet exposure denotes the fair values of these contracts at the reporting date and is presented in ₹ crores. The Company presents its foreign exchange derivative instruments on a net basis in the financial statements due to the right of offset by its individual counterparties under master netting agreements.

The fair value of the derivative instruments presented on a gross basis as at each date indicated below is as follows:

	As at 31 March 2024				
	Financial assets		Financial liabilities		Total fair value
	Current	Non current	Current	Non current	
Derivatives designated as hedging instruments					
Foreign exchange contracts in an asset position	214	449	10	11	684
Foreign exchange contracts in a liability position	(10)	(11)	(10)	(11)	(42)
Net asset (liability)	**204**	**438**	**-**	**-**	**642**
Derivatives not designated as hedging instruments					
Foreign exchange contracts in an asset position	3	-	2	-	5
Foreign exchange contracts in a liability position	(2)	-	(7)	-	(9)
Net asset (liability)	**1**	**-**	**(5)**	**-**	**(4)**
Total derivatives at fair value	**205**	**438**	**(5)**	**-**	**638**

	As at 31 March 2023				
	Financial assets		Financial liabilities		Total fair value
	Current	Non current	Current	Non current	
Derivatives designated as hedging instruments					
Foreign exchange contracts in an asset position	160	117	81	54	412
Foreign exchange contracts in a liability position	(81)	(54)	(87)	(69)	(291)
Net asset (liability)	**79**	**63**	**(6)**	**(15)**	**121**
Derivatives not designated as hedging instruments					
Foreign exchange contracts in an asset position	18	-	5	-	23
Foreign exchange contracts in a liability position	(5)	-	(12)	-	(17)
Net asset (liability)	**13**	**-**	**(7)**	**-**	**6**
Total derivatives at fair value	**92**	**63**	**(13)**	**(15)**	**127**

The following tables set forth the fair value of derivative instruments included in the balance sheets as at each date indicated:

	As at	
	31 March 2024	31 March 2023
Derivatives designated as hedging instruments		
Unrealized gain on financial instruments classified under current financial assets	204	79
Unrealized gain on financial instruments classified under non-current financial assets	438	63
Unrealized loss on financial instruments classified under current financial liabilities	-	(6)
Unrealized loss on financial instruments classified under non-current financial liabilities	-	(15)
	642	**121**
Derivatives not designated as hedging instruments		
Unrealized gain on financial instruments classified under current financial assets	1	13
Unrealized loss on financial instruments classified under current financial liabilities	(5)	(7)
	(4)	**6**

Maturity profile of derivative liabilities based on contractual payments is as below:

	As at	
	31 March 2024	31 March 2023
Within one year	5	13
One to two years	-	8
Two to three years	-	4
Three to five years	-	3
	5	28

The following table summarizes the activities in the statement of profit and loss and other comprehensive income:

	Year ended	
	31 March 2024	31 March 2023
Derivatives in hedging relationships		
Effective portion of gain or (loss) recognized in OCI on derivatives	637	(381)
Effective portion of gain reclassified from OCI into statement of profit and loss as "revenue"	107	85
Derivatives not in hedging relationships		
Gain or (loss) recognized into statement of profit and loss as "exchange differences"	37	(193)

The following table summarizes the activity in the accumulated 'Other comprehensive income' within equity related to all derivatives classified as cash flow hedges:

	Year ended	
	31 March 2024	31 March 2023
Gain as at the beginning of the year	96	562
Unrealized gain (loss) on cash flow hedging derivatives during the year	637	(381)
Net gain reclassified into statement of profit and loss on occurrence of hedged transactions	(107)	(85)
Gain as at the end of the year	626	96
Deferred tax liability	(129)	(17)
Cash flow hedging reserve (net of tax)	**497**	**79**

The estimated net amount of existing gain that is expected to be reclassified into the statement of profit and loss within the next twelve months is of ₹ 190 crores (Previous year, gain of ₹ 48 crores).

(b) Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2024 is as follows:

	Fair value through profit and loss	Fair value through other comprehensive income	Amortized cost	Total carrying value
Financial assets				
Investments (other than in subsidiaries)	3,310	3,491	-	6,801
Trade receivables (including unbilled)	-	-	12,320	12,320
Cash and cash equivalents	-	-	837	837
Other bank balances	-	-	6,792	6,792
Loans	-	-	1,079	1,079
Others	1	642	1,126	1,769
Total	**3,311**	**4,133**	**22,154**	**29,598**
Financial liabilities				
Borrowings	-	-	53	53
Lease liabilities	-	-	861	861
Trade payables (including unbilled and accruals)	-	-	2,344	2,344
Others	5	-	1,751	1,756
Total	**5**	**-**	**5,009**	**5,014**

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

	Fair value through profit and loss	Fair value through other comprehensive income	Amortized cost	Total carrying value
Financial assets				
Investments (other than in subsidiaries)	1,501	3,601	-	5,102
Trade receivables (including unbilled)	-	-	12,995	12,995
Cash and cash equivalents	-	-	2,374	2,374
Other bank balances	-	-	3,857	3,857
Loans	-	-	2,602	2,602
Others	13	142	1,323	1,478
Total	**1,514**	**3,743**	**23,151**	**28,408**
Financial liabilities				
Borrowings	-	-	191	191
Lease liabilities	-	-	608	608
Trade payables (including unbilled and accruals)	-	-	2,783	2,783
Others	7	21	1,868	1,896
Total	**7**	**21**	**5,450**	**5,478**

Transfer of financial assets

The Company in the normal course of business sells certain trade receivables to banks. Under the terms of arrangements, the Company surrenders control over these assets and transfer is on a non-recourse basis.

During the year ended 31 March 2024 and 2023, the Company has sold certain trade receivables on non-recourse basis. Gains or losses on the sales are recorded at the time of transfers of these receivables and are immaterial.

Fair value hierarchy

The assets and liabilities measured at fair value on a recurring basis as at 31 March 2024 and the basis for that measurement is as below:

	Fair value	Level 1 inputs	Level 2 inputs	Level 3 inputs
Assets				
Investments carried at fair value through profit and loss	3,310	3,310	-	-
Investments carried at fair value through other comprehensive income	3,491	-	3,491	-
Unrealized gain on derivative financial instruments	643	-	643	-
Liabilities				
Unrealized loss on derivative financial instruments	5	-	5	-

The following table discloses the assets and liabilities measured at fair value on a recurring basis as at 31 March 2023 and the basis for that measurement:

	Fair value	Level 1 inputs	Level 2 inputs	Level 3 inputs
Assets				
Investments carried at fair value through profit and loss	1,501	1,501	-	-
Investments carried at fair value through other comprehensive income	3,601	-	3,601	-
Unrealized gain on derivative financial instruments	155	-	155	-
Liabilities				
Unrealized loss on derivative financial instruments	28	-	28	-

There have been no transfers between Level 1 and Level 2 during the current and previous year

Valuation methodologies

Investments: The Company's investments consist of investment in debt linked mutual funds which are determined using quoted prices or identical quoted prices of assets or liabilities in active markets and are classified as Level 1. Fair value of corporate debt securities is determined using observable markets' inputs and is classified as Level 2.

Derivative financial instruments: The Company's derivative financial instruments consist of foreign currency forward exchange contracts and options. Fair values for derivative financial instruments are based on counter party quotations and are classified as Level 2.

The company assessed that fair value of cash and cash equivalent, loans, short-term deposits, trade receivables, other current financial assets, trade payables, bank overdrafts and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

(c) 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 and 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.

Market risk

Market risk is the risk that the fair value or 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.

(i) 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 and the Company's net investments in foreign branches.

The exchange rate risk primarily arises from assets and liabilities denominated in currencies other than the functional currency of the respective branches and foreign currency forecasted revenue and cash flows. A significant portion of the Company revenue is in US Dollar, Pound Sterling (GBP) and Euro while a large portion of costs are in Indian rupees. The fluctuation in exchange rates in respect to the Indian rupee may have potential impact on the statement of profit and loss and other comprehensive income and equity.

To mitigate the foreign currency risk the Company uses derivatives as 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.

Appreciation/depreciation of 5% in respective foreign currencies with respect to functional currency of the Company and its branches would result in increase/decrease in the Company's profit before tax by approximately ₹ 575 crores (31 March 2023, ₹ 490 crores) for the year ended 31 March 2024.

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 5% against the respective functional currencies of the Company and its branches. The sensitivity analysis presented above may not be representative of the actual change.

Non-derivative foreign currency exposure as of 31 March 2024 and 31 March 2023 in major currencies is as below:

	Financial assets		Financial liabilities	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
USD / INR	7,215	7,261	891	1,533
GBP / INR	664	856	61	73
EUR/ INR	1,268	1,306	146	176

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's investments are primarily in fixed rate interest bearing investments. Hence the Company is not significantly exposed to interest rate risk.

Credit risk

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash and bank balances, inter-corporate deposits, trade receivables, finance lease receivables, investment securities and derivative instruments. The cash resources of the Company are invested with mutual funds, banks, financial institutions and corporations 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 United States of America and Europe and accordingly, trade receivables, unbilled receivables and finance lease receivables are concentrated in the respective countries. 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, contract assets, unbilled receivables and finance lease receivables . The Company also outsourced selected client related credit risks to financial markets through " Non-recourse assignment" of receivables.

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

	As at	
	31 March 2024	31 March 2023
Balance at the beginning of the year	187	196
Additional provision during the year	79	64
Deductions on account of write offs and collections	(108)	(74)
Translation exchange differences	-	1
Balance at the end of the year	**158**	**187**

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 March 2024					
Borrowings	30	15	9	4	58
Lease liabilities	263	243	209	280	995
Trade payables (including unbilled and accruals)	2,344	-	-	-	2,344
Derivative financial liabilities	5	-	-	-	5
Others	1,743	4	4	-	1,751
Total	**4,385**	**262**	**222**	**284**	**5,153**
As at 31 March 2023					
Borrowings	150	30	15	11	206
Lease liabilities	208	160	129	202	699
Trade payables (including unbilled and accruals)	2,783	-	-	-	2,783
Derivative financial liabilities	13	8	4	3	28
Others	1,853	17	-	-	1,870
Total	**5,007**	**215**	**148**	**216**	**5,586**

2.32 Employee benefits

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 Employee Pension Scheme

During the year the Company has recognized the following amounts in the statement of profit and loss :-

	Year ended	
	31 March 2024	31 March 2023
Superannuation Fund	14	13
Employer's contribution to Employee's Pension Scheme	166	163
Total	**180**	**176**

The Company has contributed ₹ 45 crores (previous year, ₹ 106 crores) towards other defined contribution plans of branches outside India.

(B) Defined benefit plans

(a) Gratuity

(b) Employer's contribution to provident fund

Gratuity

The following table sets out the status of the gratuity plan :

Statement of profit and loss

	Year ended	
	31 March 2024	**31 March 2023**
Current Service cost	186	202
Interest cost (net)	50	49
Net benefit expense	**236**	**251**

Balance Sheet

	As at	
	31 March 2024	**31 March 2023**
Defined benefit obligations	929	784
Fair value of plan assets	16	16
Net plan liability	**913**	**768**
Current defined benefit obligations	161	141
Non-current defined benefit obligations	752	627

Changes in present value of the defined benefit obligations are as follows:

	Year ended	
	31 March 2024	**31 March 2023**
Opening defined benefit obligations	784	807
Current service cost	186	202
Interest cost	51	50
Re-measurement gains (losses) in OCI		
Actuarial changes arising from changes in demographic assumptions	(1)	(26)
Actuarial changes arising from changes in financial assumptions	(17)	(100)
Experience adjustments	(10)	(49)
Business combinations	1	-
Benefits paid	(65)	(100)
Closing defined benefit obligations	**929**	**784**

Changes in fair value of the plan assets are as follows:

	Year ended	
	31 March 2024	**31 March 2023**
Opening fair value of plan assets	16	18
Interest income	1	1
Contributions	61	100
Re-measurement gains (losses) in OCI	-	-
Benefits paid	(62)	(103)
Closing fair value of plan assets	**16**	**16**

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 Company's plans are shown below:

	As at	
	31 March 2024	31 March 2023
Discount rate	7.20%	7.40%
Estimated Rate of salary increases	6.00%	6.50%
Expected rate of return on assets	7.20%	7.40%

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. Inherent risk exists for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

Discount rate and future salary escalation rate are the key actuarial assumptions to which the defined benefit obligation are particularly sensitive. The following table summarizes the impact on defined benefit obligation as at 31 March 2024 arising due to an increase/decrease in key actuarial assumptions by 50 basis points:

	Discount rate		Salary escalation rate	
	As at		As at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Impact of increase	(24)	(21)	24	21
Impact of decrease	25	22	(23)	(21)

The sensitivity analysis presented may not be representative of the actual change in the defined benefit obligations as sensitivities have been calculated to show the movement in defined benefit obligations in isolation and assuming there are no other changes in market conditions. There have been no changes from the previous years in the methods and assumptions used in preparing the sensitivity analysis.

The defined benefit obligations are expected to mature after 31 March 2024 as follows:

Year ending 31 March	Cash flows
- 2025	156
- 2026	184
- 2027	238
- 2028	257
- 2029	255
- Thereafter	2,861

The weighted average duration for the payment of these cash flows is 5.36 years.

Employer's contribution to provident fund

The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India based on the assumption mentioned below.

The details of the fund and plan asset position are given below:-

	31 March 2024	31 March 2023
Fair value of plan assets at the year end	7,529	6,495
Present value of benefit obligation at year end	7,529	6,495
Net liability recognized in balance sheet	**-**	**-**

The amount of net liability as at 31 March 2024 has been recognized in the other comprehensive income.

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

	31 March 2024	31 March 2023
Government of India (GOI) bond yield	7.20%	7.40%
Remaining term of maturity	7.21 years	7.51 years
Expected guaranteed interest rate	8.25%	8.15%

During the year ended 31 March 2024, the Company has contributed ₹ 483 crores (previous year, ₹ 445 crores) towards employer's contribution to provident fund.

2.33 Related party transactions

(a) Related parties where control exists

List of subsidiaries as at 31 March 2024 and 31 March 2023 is as below:

S. No.	Name of the Subsidiaries	Country of Incorporation	Percentage holding as at	
			31 March 2024	31 March 2023
Direct subsidiaries				
1	HCL Comnet Systems & Services Limited	India	100%	100%
2	HCL Bermuda Limited	Bermuda	100%	100%
3	HCL Technologies (Shanghai) Limited	China	100%	100%
4	HCL Singapore Pte. Limited	Singapore	100%	100%
5	HCL Training & Staffing Services Private Limited	India	100%	100%
6	Geometric Americas, Inc.	USA	100%	100%
7	HCL Asia Pacific Pte. Ltd.	Singapore	100%	100%
8	Geometric Europe GmbH	Germany	100%	100%
9	Sankalp Semiconductor Private Limited	India	100%	100%
10	H C L Technologies Lanka (Private) Limited	Sri Lanka	100%	100%
11	HCL Technologies Jigani Limited	India	100%	100%
12	HCL Technologies Holding UK Limited ^	UK	100%	-
Step down subsidiaries of direct subsidiaries				
13	HCL Great Britain Limited	UK	100%	100%
14	HCL Australia Services Pty. Limited	Australia	100%	100%
15	HCL (New Zealand) Limited	New Zealand	100%	100%
16	HCL Hong Kong SAR Limited	Hong Kong	100%	100%
17	HCL Japan Limited	Japan	100%	100%
18	HCL America Inc.	USA	100%	100%
19	HCL Technologies Austria GmbH	Austria	100%	100%
20	HCL Software Products Limited	India	100%	100%
21	HCL Poland Sp.z.o.o	Poland	100%	100%
22	HCL EAS Limited	UK	100%	100%
23	HCL Insurance BPO Services Limited	UK	100%	100%
24	Axon Group Limited	UK	100%	100%
25	HCL Canada Inc.	Canada	100%	100%
26	HCL Technologies Solutions GmbH	Switzerland	100%	100%
27	Axon Solutions Limited	UK	100%	100%
28	HCL Technologies Malaysia Sdn. Bhd.	Malaysia	100%	100%
29	Axon Solutions (Shanghai) Co. Limited	China	100%	100%
30	HCL Technologies (Proprietary) Ltd %	South Africa	48.16%	48.16%
31	HCL Argentina s.a.	Argentina	100%	100%
32	HCL Technologies Mexico S. de R.L.	Mexico	100%	100%
33	HCL Technologies Romania s.r.l.	Romania	100%	100%
34	HCL Technologies Startschema Kft. (Formerly "HCL Hungary Kft")	Hungary	100%	100%
35	HCL Latin America Holding LLC	USA	100%	100%
36	HCL (Brazil) Tecnologia da Informacao LTDA (Formerly "HCL (Brazil) Technologia da informacao EIRELI")	Brazil	100%	100%
37	HCL Technologies Denmark Aps	Denmark	100%	100%
38	HCL Technologies Norway AS	Norway	100%	100%

S. No.	Name of the Subsidiaries	Country of Incorporation	Percentage holding as at	
			31 March 2024	31 March 2023
39	PT. HCL Technologies Indonesia Limited	Indonesia	100%	100%
40	HCL Technologies Philippines Inc.	Philippines	100%	100%
41	HCL Technologies South Africa (Proprietary) Limited %	South Africa	36.40%	36.40%
42	HCL Arabia LLC	Saudi Arabia	100%	100%
43	HCL Technologies France SAS	France	100%	100%
44	Filial Espanola De HCL Technologies S.L	Spain	100%	100%
45	Anzospan Investments Pty Limited %	South Africa	70%	70%
46	HCL Investments (UK) Limited	UK	100%	100%
47	Statestreet HCL Holding UK Limited **	UK	100%	100%
48	Statestreet HCL Services (Philippines) Inc. **	Philippines	100%	100%
49	Statestreet HCL Services (India) Private Limited **	India	100%	100%
50	HCL America Solutions Inc.	USA	100%	100%
51	HCL Technologies Chile Spa	Chile	100%	100%
52	HCL Technologies UK Limited	UK	100%	100%
53	HCL Technologies B.V.	Netherlands	100%	100%
54	HCL (Ireland) Information Systems Limited	Ireland	100%	100%
55	HCL Technologies Germany GmbH	Germany	100%	100%
56	HCL Technologies Belgium BV (Formerly "HCL Technologies Belgium BVBA")	Belgium	100%	100%
57	HCL Technologies Sweden AB	Sweden	100%	100%
58	HCL Technologies Finland Oy	Finland	100%	100%
59	HCL Technologies Italy S.P.A	Italy	100%	100%
60	HCL Technologies Columbia S.A.S	Columbia	100%	100%
61	HCL Technologies Middle East FZ-LLC	UAE	100%	100%
62	HCL Istanbul Bilisim Teknolojileri Limited Sirketi	Turkey	100%	100%
63	HCL Technologies Greece Single Member P.C	Greece	100%	100%
64	HCL Technologies S.A.	Venezuela	100%	100%
65	HCL Technologies Beijing Co., Ltd	China	100%	100%
66	HCL Technologies Luxembourg S.a r.l	Luxembourg	100%	100%
67	HCL Technologies Egypt Limited	Egypt	100%	100%
68	HCL Technologies Estonia OÜ	Estonia	100%	100%
69	HCL Technologies (Thailand) Ltd.	Thailand	100%	100%
70	HCL Technologies Czech Republic s.r.o.	Czech Republic	100%	100%
71	HCL Muscat Technologies L.L.C.	Oman	100%	100%
72	HCL Technologies Lithuania UAB	Lithuania	100%	100%
73	HCL Technologies (Taiwan) Ltd.	China	100%	100%
74	Geometric China, Inc.	China	100%	100%
75	Butler America Aerospace LLC	USA	100%	100%
76	HCL Lending Solutions, LLC (Formerly "Urban Fulfillment Services LLC")	USA	100%	100%
77	Datawave (An HCL Technologies Company) Limited	Scotland	100%	100%
78	HCL Technologies Corporate Services Limited	UK	100%	100%
79	C3i Support Services Private Limited	India	100%	100%
80	Telerx Marketing Inc. *	USA	-	100%
81	C3i Europe Eood	Bulgaria	100%	100%
82	C3i Japan GK	Japan	100%	100%

S. No.	Name of the Subsidiaries	Country of Incorporation	Percentage holding as at	
			31 March 2024	31 March 2023
83	C3i Services &Technologies (Dalian) Co., Ltd	China	100%	100%
84	Actian Corporation	USA	100%	100%
85	Actian Australia Pty. Ltd.	Australia	100%	100%
86	Actian Europe Limited	UK	100%	100%
87	Actian France SAS	France	100%	100%
88	Actian Germany GmbH	Germany	100%	100%
89	Actian International, Inc.	USA	100%	100%
90	Actian Technology Private Limited	India	100%	100%
91	Versant GmbH	Germany	100%	100%
92	Versant India Private Limited	India	100%	100%
93	HCL Technologies Vietnam Company Limited	Vietnam	100%	100%
94	HCL Guatemala, Sociedad Anonima	Guatemala	100%	100%
95	Sankguj Semiconductor Private Limited	India	100%	100%
96	Sankalp Semiconductor Inc.	Canada	100%	100%
97	Sankalp Semiconductor GmbH.	Germany	100%	100%
98	Sankalp Semiconductor SDN.BHD. !	Malaysia	-	100%
99	HCL Technologies Trinidad And Tobago Limited	Trinidad and Tobago	100%	100%
100	HCL Technologies Azerbaijan Limited Liability Company	Azerbaijan	100%	100%
101	HCL Technologies Bulgaria EOOD	Bulgaria	100%	100%
102	HCL Vietnam Company Limited (Formerly known as HCL Technologies (Vietnam) Company Limited)	Vietnam	100%	100%
103	HCL Technologies Angola (SU), LDA	Angola	100%	100%
104	DWS Pty Limited (Formely "DWS Limited")	Australia	100%	100%
105	DWS (New Zealand) Ltd	New Zealand	100%	100%
106	Phoenix IT & T Consulting Pty Ltd	Australia	100%	100%
107	Wallis Nominees (Computing) Pty Ltd	Australia	100%	100%
108	DWS (NSW) Pty Ltd	Australia	100%	100%
109	Symplicit Pty Ltd	Australia	100%	100%
110	Projects Assured Pty Ltd	Australia	100%	100%
111	DWS Product Solutions Pty Ltd	Australia	100%	100%
112	Graeme V Jones & Associates Pty Ltd	Australia	100%	100%
113	Strategic Data Management Pty Ltd	Australia	100%	100%
114	SDM Sales Pty Ltd	Australia	100%	100%
115	HCL Technologies S.A.C.	Peru	100%	100%
116	HCL Technologies Costa Rica Sociedad De Responsabilidad Limitada	Costa Rica	100%	100%
117	HCL Technologies gbs GmbH (Formerly "gbs-Gesellschaft für Banksysteme GmbH")	Germany	51%	51%
118	HCL Technologies Slovakia s. r. o.	Slovakia	100%	100%
119	HCL Technologies Bahrain W.L.L	Bahrain	100%	100%
120	HCL Technologies Morocco Limited	Morocco	100%	100%
121	Manzina Tech GmbH *	Switzerland	-	100%
122	Starschema Inc	USA	100%	100%
123	Confinale AG	Switzerland	100%	100%
124	Brilliant Data LLC !	USA	-	100%

S. No.	Name of the Subsidiaries	Country of Incorporation	Percentage holding as at	
			31 March 2024	31 March 2023
125	Confinale (Deutschland) GmbH	Germany	100%	100%
126	Confinale (UK) Limited	UK	100%	100%
127	Quest Informatics Private Limited	India	100%	100%
128	ASAP Holding GmbH #	Germany	100%	-
129	ASAP Engineering GmbH, Weissach #	Germany	100%	-
130	ASAP Engineering GmbH, Gaimersheim #	Germany	100%	-
131	ASAP Engineering GmbH, Russelsheim #	Germany	100%	-
132	ASAP Electronics GmbH #	Germany	100%	-
133	ASAP Engineering GmbH, Weyhausen #	Germany	100%	-
134	ASAP Engineering GmbH, Friedrichshafen #	Germany	100%	-
135	ASAP Quality Consulting GmbH #	Germany	100%	-
136	FIDUS Personal GmbH #	Germany	100%	-
137	Sigl Bordnetz Design GmbH #	Germany	100%	-
138	Dicturus Grundstücksverwaltungsgesellschaft mbH & Co. Vermie #	Germany	94%	-

^ Incorporated during the year
Acquired during the year
! Closed during the year
* Merged during the year
%The Group has majority composition of board of directors and management control.
** The Group has equity interest of 49% and 100% dividend rights and control.

Employee benefit trusts incorporated in India
Hindustan Instruments Limited Employees Provident Fund Trust
HCL Consulting Limited Employees Superannuation Scheme
HCL Comnet System and Services Limited Employees Provident Fund Trust
HCL Technologies Employees Group Gratuity Trust
HCL Technologies Stock Options Trust
C3i Support Services Employees Gratuity Trust
Sankalp Stock Trust (closed w.e.f 6th March 2023)
Sankalp Semiconductor Private Limited Employees Group Gratuity Trust

(b) Related parties with whom transactions have taken place

Key Management Personnel
Mr. C. Vijayakumar – Chief Executive Officer and Managing director
Mr. Prateek Aggarwal – Chief Financial Officer
Mr. Manish Anand – Company Secretary

Non-Executive & Independent Directors
Mr. R. Srinivasan
Ms. Robin Abrams
Dr. Sosale S. Sastry
Mr. S. Madhavan
Mr. Thomas Sieber
Ms. Nishi Vasudeva

Non-Executive & Independent Directors
Mr. Deepak Kapoor
Dr. Mohan Chellappa
Mr. Simon England
Ms. Vanitha Narayanan
Ms. Bhavani Balasubramanian (w.e.f. 12 January 2024)

Non-Executive & Non-Independent Directors
Ms. Roshni Nadar Malhotra, Chairperson
Mr. Shikhar Malhotra

Others (Significant influence)	
HCL Infosystems Limited	Mr. Shiv Nadar
HCL Avitas Private Limited	Ms. Kiran Nadar
Vama Sundari Investments (Delhi) Private Limited	HCL IT City Lucknow Private Limited
HCL Corporation Private Limited	HCL Infotech Limited
SSN Investments (Pondi) Private Limited	Shiv Nadar University
Naksha Enterprises Private Limited	HCL Holdings Private Limited
Kiran Nadar Musuem of Art*	Shiv Nadar Foundation*

* Public Charitable Trusts in which Mr. Shiv Nadar or his family members are managing trustees.

Transactions with related parties during the normal course of business	Subsidiaries		Significant influence	
	Year ended		Year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Revenues from operations	31,178	27,827	23	3
Interest income	-	-	1	2
Dividend income	92	84	-	-
Outsourcing cost and other expenses	6,204	6,347	3	6
Employee benefit expense	-	-	81	66
Interim dividend	-	-	8,582	7,909
Corporate guarantee fees	7	12	-	-
Depreciation charge on right-of-use assets	-	-	36	33
Interest expense on the lease liability	-	-	8	5
Purchase of bank deposits (including accrued interest)	345	-	-	-
Sale of capital equipments	-	-	-	1

Material related party transactions	Subsidiaries		Significant influence	
	Year ended		Year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Revenues from operations				
HCL Technologies Corporate Services Limited	15,490	13,391	-	-
HCL Technologies UK Limited	2,756	2,224	-	-
HCL America Inc., United States of America	1,551	1,673	-	-
HCL Technologies Germany GmbH	1,335	1,064	-	-
HCL Software Products Limited	127	97	-	-

Material related party transactions	Subsidiaries		Significant influence	
	Year ended		Year ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Outsourcing cost and other expenses				
HCL Technologies Corporate Services Limited	6	10	-	-
HCL Technologies UK Limited	286	203	-	-
HCL America Inc., United States of America	1,903	2,374	-	-
HCL Technologies Germany GmbH	161	103	-	-
HCL Software Products Limited	1,993	1,938	-	-
Interim dividend paid				
Vama Sundari Investments (Delhi) Private Limited	-	-	6,232	5,729
HCL Holding Private Limited	-	-	2,323	2,144

Transactions with Key Managerial personnel during the year (on accrual basis)	Year ended	
	31 March 2024	31 March 2023
Compensation		
- Short-term employee benefits	4	3
- Other long term employee benefits	3	3
Interim dividend	3	2

Other Long term employee benefits include expense of ₹ 2 crores (previous year ₹ 3 crores) recorded by the Company on account of share-based payment.

Above does not include post-employment benefits based on actuarial valuation as this is done for the company as a whole.

Transactions with Directors during the year	Year ended	
	31 March 2024	31 March 2023
Commission & other benefits to Directors (includes sitting fees)	14	13

Outstanding balances	Subsidiaries		Significant influence	
	As at		As at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Trade receivables, other financial assets and other assets	8,510	8,725	36	26
Trade payables, other financial liabilities and contract liabilities	4,170	4,250	37	37
Guarantee outstanding	2,618	2,573	-	-
Employee and other payables	-	-	3	2
Lease liabilities	-	-	144	65
Right-of-use assets	-	-	146	67

Material related party balances	As at	
	31 March 2024	31 March 2023
Trade receivables, other financial assets and other assets		
HCL Technologies Corporate Services Limited	3,334	2,939
HCL Technologies UK Limited	690	854
HCL America Inc., United States of America	549	659
HCL Technologies Germany GmbH	408	264
HCL Software Products Limited	36	18

Material related party balances	As at	
	31 March 2024	31 March 2023
Trade payables, other financial liabilities and other liabilities		
HCL Technologies Corporate Services Limited	647	417
HCL Technologies UK Limited	318	250
HCL America Inc., United States of America	769	1,000
HCL Technologies Germany GmbH	346	446
HCL Software Products Limited	377	276

All transactions entered by the Company with related parties are at arm's length and in ordinary course of business.

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Company has not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

2.34 Research and development expenditure

	Year ended	
	31 March 2024	31 March 2023
Amount charged to statement of profit and loss	544	552
	544	**552**

2.35 Commitments and contingent liabilities

		As at	
		31 March 2024	31 March 2023
(i)	**Capital and other commitments**		
	Capital commitments		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	135	91
(ii)	**Contingent liabilities**		
	Others	-	2
		135	**93**

(a) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be notified. The Company will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are notified.

(b) The Company is involved in various lawsuits, claims and proceedings that arise in the ordinary course of business, the outcome of which is inherently uncertain. Some of these matters include speculative and frivolous claims for substantial or indeterminate amounts of damages. The Company records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Company reviews these provisions at least quarterly and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. The Company believes that the amount or estimable range of reasonably possible loss, will not, either individually or in the aggregate, have a material adverse effect on its business, financial position, results of the Company, or cash flows with respect to loss contingencies for legal and other contingencies as at 31 March 2024.

(c) 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 ₹ 2,618 crores (USD 270 million and GBP 35 million) (31 March 2023, ₹ 2,573 crores (USD 270 million and GBP 35 million)). 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.

2.36 Payment to auditors

	Year ended	
	31 March 2024	31 March 2023
Audit fees	9	9
Other services (Tax audit fees, certification and out of pocket expenses)	1	1
Other non audit tax services *	-*	-*
	10	**10**

* Represents amount less than ₹ 0.50 crores

2.37 Ratio

Ratio	Numerator	Denominator	Units	Year ended		% Variance
				31 March 2024	31 March 2023	
Current ratio	Current assets	Current liabilities	Times	2.8	2.7	**4%**
Debt equity ratio	Total debts (refer note 1 below)	Total equity	Times	0.0	0.0	**-**
Debt service coverage ratio	Earning availables for debt service (refer note 2 below)	Debt service (refer note 3 below)	Times	34.4	45.7	**-25%**
Return on equity ratio	Profit for the year	Average total equity	%	29.0	27.4	**6%**
Inventory turnover ratio	Cost of goods sold (refer note 4 below)	Average inventories	Times	4.8	5.4	**-11%**
Trade receivables turnover ratio	Revenue from operations	Average trade receivables	Times	3.8	3.8	**0%**
Trade payables turnover ratio	Net credit purchases (refer note 5 below)	Average trade payables	Times	4.0	4.1	**-2%**
Net capital turnover ratio	Revenue from operations	Working capital (refer note below 6)	Times	2.5	2.6	**-4%**
Net profit ratio	Profit for the year	Revenue from operations	%	24.3	24.8	**-2%**
Return on capital employed	Earning before interest and taxes	Capital employed (refer note 7 below)	%	36.6	34.5	**6%**
Return on investment						
Unquoted	Income generated from invested funds	Time weighted average investments	%	7.7	5.8	**33%**
Quoted	Income generated from invested funds	Time weighted average investments	%	7.9	6.0	**32%**

Notes :

(1) Total debts consists of borrowings and lease liabilities

(2) Earning availables for debt services = Profit for the year + depreciation, amortisation and impairment + interest + loss on sale of property, plant and equipments + Provision for doubtful debts + share based payment to employees + non cash charges

(3) Debt service = Interest + payment for lease liabilities + principal repayments

(4) Cost of goods sold includes purchase of stock in trade and change in inventories of stock in trade

(5) Net credit purchase includes purchase of stock-in-trade, change in inventories of stock-in-trade, outsourcing costs and other expenses

(6) Working capital = current assets - current liabilities

(7) Capital employed = Tangible net worth includes acquired goodwill and other intangibles assets + total debt - deferred tax assets

(8) Average is calculated based on simple average of opening and closing balances.

Explanation where change in the ratio is more than 25%

Return on investment - Unquoted

Return on unquoted investment has increased from 5.8% in FY 22-23 to 7.7% in FY 23-24, primarily on account of higher realized return.

Return on investment - quoted

Return on quoted investment has increased from 6% in FY 22-23 to 7.9% in FY 23-24, primarily on account of higher realized return.

2.38 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 31 March 2024		For the year ended 31 March 2023	
	Principal	Interest	Principal	Interest
Amount due to vendors (Including capital account payables)	-	-	3	-
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	-	-	-	-

This has been determined on the basis of responses received from vendors on specific confirmation sought by the Company.

2.39 Corporate social responsibility

	Year ended	
	31 March 2024	31 March 2023
(i) amount required to be spent by the company during the year,	261	238
(ii) amount of expenditure incurred,		
(a) Construction/acquisition of any assets	-	-
(b) On purpose other than (a.) above	261	238
(iii) shortfall at the end of the year,	-	-
(iv) total of previous years shortfall,	-	-
(v) reason for shortfall,	NA	NA
(vi) nature of CSR activities,	Refer note below	
(vii) details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard,	NA	NA
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

Note : CSR activities includes Education, Environment, Skill Development & Livelihood, Water & Sanitation, Promoting sustainable health, nutrition and hygiene interventions, Gender & Inclusion, Early Childhood Care & Development, Disaster relief.

2.40 Segment Reporting

As per Ind AS 108 'Operating Segments', the Company has disclosed the segment information only as part of the consolidated financial statement.

2.41 Subsequent events

The Board of Directors at its meeting held on 26 April 2024 has declared an interim dividend of ₹ 18 per share.

As per our report of event date attached

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

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
26 April 2024

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

Roshni Nadar Malhotra
Chairperson
DIN - 02346621

C. Vijayakumar
Chief Executive Officer
and Managing Director
DIN - 09244485

S. Madhavan
Director
DIN - 06451889

Prateek Aggarwal
Chief Financial Officer

Goutam Rungta
Corporate Vice President - Finance

Manish Anand
Company Secretary

Noida (UP), India
26 April 2024

Consolidated Ind AS Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Members of HCL Technologies Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of HCL Technologies Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2024, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 as at 31 March 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Evaluation of tax positions and litigations See Note 1(i) and 3.25 to consolidated financial statements	
The key audit matter	**How the matter was addressed in our audit**
The Group operates in multiple global jurisdictions which requires it to estimate its income tax liabilities according to the tax laws of the respective tax jurisdictions. Further, there are matters of interpretation in terms of application of tax laws and related rules to determine current tax provision and deferred taxes. The Group has material tax positions and litigations on a range of tax matters primarily in India. This requires management to make significant judgments to determine the possible outcome of uncertain tax positions and litigations and their consequent impact on related accounting and disclosures in the consolidated financial statements.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: ● testing the design, implementation and operating effectiveness of the Group's key controls over identifying uncertain tax positions and matters involving litigations/disputes. ● obtaining details of tax positions and tax litigations for the year and as at 31 March 2024 and holding discussions with designated management personnel. ● assessing and analysing select key correspondences with tax authorities and inspecting external legal opinions obtained by management for key uncertain tax positions and tax litigations. ● evaluating underlying evidence and documentation to determine whether the information provides a basis for amounts provided/not provided in the books of account. ● involving our internal tax specialists and evaluating management's underlying key assumptions inestimating the tax provisions and estimate of the possible outcome of significant tax litigations; and ● in respect of tax positions and litigations, assessing the computation of provisions and consequent impact on related accounting and disclosures in the consolidated financial statements.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially

inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the entities included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each entity 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 controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated 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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the entities included in the Group are responsible for assessing the ability of each entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the entities included in the Group are responsible for overseeing the financial reporting process of each entity.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements,whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error,as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However,future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements,including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 (A) 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 purposes 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 consolidated financial statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph 2(B)(f) below on reporting under Rule11(g) of the Companies (Audit and Auditors) Rules, 2014.

(c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant 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 Ind AS specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024 and 1 April 2024 taken on record by the Board of Directors of the Holding Company and on the basis of written representations received by the management from the directors of its subsidiary companies which are incorporated in India, as on 31 March 2024 and 1 April 2024, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

(f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors)Rules, 2014.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) 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:

(a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group. Refer income tax liabilities disclosed in the balance sheet along with Note 3.25 and Note 3.34 to the consolidated financial statements.

(b) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.

(c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2024. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the subsidiary companies incorporated in India during the year ended 31 March 2024.

(d) (i) The management of the Holding Company has represented that, to the best of its knowledge and belief, as disclosed in the Note 3.32 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies incorporated in India to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Holding Company has represented that, to the best of its knowledge and belief, as disclosed in the Note 3.32 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies incorporated in India from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding,whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies incorporated in India shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above,contain any material misstatement.

(e) The interim dividend declared or paid by the Holding Company during the year and until the date of this audit report is in accordance with Section 123 of the Act. The subsidiary companies incorporated in India have neither declared nor paid any dividend during the year.

(f) Based on our examination which included test checks, the Holding Company and its nine subsidiary companies incorporated in India, which are audited by us, have used accounting softwares for maintaining its books of account which has a feature

of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares except matters below which are managed only by service provider:

(i) audit trail was not enabled at the database level for accounting softwares to log any direct data changes,

(ii) certain privileged access at application layer for which audit trail was not enabled.

In case of two subsidiaries incorporated in India, as communicated by the auditor of such subsidiaries, the feature of recording audit trail (edit log) facility of the accounting software used for maintaining books of account was enabled and the same has operated throughout the year for all relevant transactions.

Further, where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The subsidiary companies incorporated in India have not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Rakesh Dewan
Partner
Membership No.: 092212
ICAI UDIN : 24092212BKFADU9010

Place: Gurugram
Date: 26 April 2024

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of HCL Technologies Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) The Companies (Auditor's Report) Order (CARO) of the Holding Company and its two subsidiaries did not include any unfavorable answers or qualifications or adverse remarks.According to the information and explanations given to us, in respect of the following companies incorporated in India and included in the consolidated financial statements, the CARO report relating to them has not been issued by their respective auditors till the date of this principal auditors' report:

Name of the entities	CIN	Subsidiary
Statestreet HCL Services (India) Private Limited	U72900DL2012FTC229698	Subsidiary
HCL Software Products Limited	U72300DL1995PLC069891	Subsidiary
Sankguj Semiconductor Private Limited	U72900GJ2017PTC100075	Subsidiary
HCL Comnet Systems and Services Limited	U74899DL1993PLC056665	Subsidiary
HCL Training & Staffing Services Private Limited	U74140DL2015PTC281555	Subsidiary
Sankalp Semiconductor Private Limited	U72100KA2005PTC037574	Subsidiary
C3i Support Services Private Limited	U72200TG2003PTC041797	Subsidiary
HCL Technologies Jigani Limited	U72200DL2022PLC403641	Subsidiary
Quest Informatics Private Limited	U72200KA2000PTC026374	Subsidiary

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

Rakesh Dewan
Partner
Membership No.: 092212
ICAI UDIN : 24092212BKFADU9010

Place: Gurugram
Date: 26 April 2024

Annexure B to the Independent Auditor's Report on the consolidated financial statements of HCL Technologies Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of HCL Technologies Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Rakesh Dewan
Partner
Membership No.: 092212
ICAI UDIN : 24092212BKFADU9010

Place: Gurugram
Date: 26 April 2024

Consolidated Balance Sheet

(All amounts in crores of ₹, except share data and as stated otherwise)

		Note No.	As at	
			31 March 2024	31 March 2023
I	**ASSETS**			
	(1) Non-current assets			
	(a) Property, plant and equipment	3.1	4,891	5,371
	(b) Capital work in progress	3.1	108	40
	(c) Right-of-use assets	3.28(a)	2,910	2,337
	(d) Goodwill	3.2	20,132	18,567
	(e) Other intangible assets	3.3	7,130	8,344
	(f) Financial assets			
	(i) Investments	3.4	94	110
	(ii) Trade receivables - unbilled	3.5(a)	624	681
	(iii) Loans	3.6	286	-
	(iv) Others	3.7	1,346	1,279
	(g) Deferred tax assets (net)	3.25	1,031	1,252
	(h) Other non-current assets	3.9	1,894	1,853
	Total non-current assets		**40,446**	**39,834**
	(2) Current assets			
	(a) Inventories	3.8	185	228
	(b) Financial assets			
	(i) Investments	3.4	7,043	5,385
	(ii) Trade receivables			
	Billed	3.5(b)	19,483	19,572
	Unbilled	3.5(b)	6,038	5,934
	(iii) Cash and cash equivalents	3.10(a)	9,456	9,065
	(iv) Other bank balances	3.10(b)	10,694	5,659
	(v) Loans	3.6	795	2,603
	(vi) Others	3.7	1,235	1,120
	(c) Current tax assets (net)		161	195
	(d) Other current assets	3.11	4,241	3,816
	Total current assets		**59,331**	**53,577**
	TOTAL ASSETS		**99,777**	**93,411**
II	**EQUITY**			
	(a) Equity share capital	3.12	543	543
	(b) Other equity		67,720	64,862
	Equity attributable to owners of the Company		68,263	65,405
	Non-controlling interest		8	(7)
	TOTAL EQUITY		**68,271**	**65,398**

Consolidated Balance Sheet

(All amounts in crores of ₹, except share data and as stated otherwise)

		Note No.	As at	
			31 March 2024	31 March 2023
III	**LIABILITIES**			
	(1) Non - current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	3.13	2,223	2,111
	(ii) Lease liabilities	3.28(a)	2,339	1,664
	(iii) Others	3.15	730	506
	(b) Contract liabilities		1,048	784
	(c) Provisions	3.16	1,612	1,315
	(d) Deferred tax liabilities (net)	3.25	771	161
	(e) Other non-current liabilities	3.17	57	41
	Total non-current liabilities		**8,780**	**6,582**
	(2) Current liabilities			
	(a) Financial liabilities			
	(i) Borrowings	3.13	104	140
	(ii) Lease liabilities	3.28(a)	1,090	871
	(iii) Trade payables			
	Billed	3.14	2,570	2,526
	Unbilled and accruals	3.14	3,283	3,902
	(iv) Others	3.15	5,691	5,210
	(b) Contract liabilities		4,155	3,917
	(c) Other current liabilities	3.18	2,183	1,595
	(d) Provisions	3.16	1,337	1,120
	(e) Current tax liabilities (net)		2,313	2,150
	Total current liabilities		**22,726**	**21,431**
	TOTAL LIABILITIES		**31,506**	**28,013**
	TOTAL EQUITY AND LIABILITIES		**99,777**	**93,411**
Material accounting policies		1		

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

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 Limited

Rakesh Dewan
Partner
Membership Number: 092212

Roshni Nadar Malhotra
Chairperson
DIN - 02346621

C. Vijayakumar
Chief Executive Officer
and Managing Director
DIN - 09244485

S. Madhavan
Director
DIN - 06451889

Prateek Aggarwal
Chief Financial Officer

Goutam Rungta
Corporate Vice President - Finance

Manish Anand
Company Secretary

Gurugram, India
26 April 2024

Noida (UP), India
26 April 2024

Consolidated Statement of Profit and Loss

(All amounts in crores of ₹, except share data and as stated otherwise)

		Note No.	Year ended	
			31 March 2024	31 March 2023
I	**Revenue**			
	Revenue from operations	3.19	1,09,913	1,01,456
	Other income	3.20	1,495	1,358
	Total income		**111,408**	**102,814**
II	**Expenses**			
	Purchase of stock-in-trade		1,754	2,072
	Changes in inventories of stock-in-trade	3.21	43	(67)
	Employee benefits expense	3.22	62,480	55,280
	Outsourcing costs		14,578	14,950
	Finance costs	3.23	553	353
	Depreciation and amortization expense		4,173	4,145
	Other expenses	3.24	6,860	6,593
	Total expenses		**90,441**	**83,326**
III	**Profit before tax**		**20,967**	**19,488**
IV	**Tax expense**	3.25		
	Current tax		4,626	4,665
	Deferred tax charge (credit)		631	(22)
	Total tax expense		**5,257**	**4,643**
V	**Profit for the year**		**15,710**	**14,845**
VI	**Other comprehensive income (loss)**	3.26		
(A)	(i) Items that will not be reclassified to statement of profit and loss		32	215
(B)	(ii) Income tax relating to items that will not be reclassified to statement of profit and loss		(8)	(63)
	(i) Items that will be reclassified to statement of profit and loss		943	1,067
	(ii) Income tax relating to items that will be reclassified to statement of profit and loss		(112)	82
	Total other comprehensive income, net of tax		**855**	**1,301**
VII	**Total comprehensive income for the year**		**16,565**	**16,146**

Consolidated Statement of Profit and Loss

(All amounts in crores of ₹, except share data and as stated otherwise)

		Note No.	Year ended	
			31 March 2024	31 March 2023
	Profit (loss) for the year attributable to			
	Owners of the Company		15,702	14,851
	Non-controlling interest		8	(6)
			15,710	14,845
	Other comprehensive income for the year attributable to			
	Owners of the Company		855	1,301
	Non-controlling interest		-	-
			855	1,301
	Total comprehensive income for the year attributable to			
	Owners of the Company		16,557	16,152
	Non-controlling interest		8	(6)
			16,565	16,146
	Earnings per equity share of ₹ 2 each	3.27		
	Basic (in ₹)		57.99	54.85
	Diluted (in ₹)		57.86	54.79
Material accounting policies		1		

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

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 Limited

Rakesh Dewan
Partner
Membership Number: 092212

Roshni Nadar Malhotra
Chairperson
DIN - 02346621

C. Vijayakumar
Chief Executive Officer
and Managing Director
DIN - 09244485

S. Madhavan
Director
DIN - 06451889

Prateek Aggarwal
Chief Financial Officer

Goutam Rungta
Corporate Vice President - Finance

Manish Anand
Company Secretary

Gurugram, India
26 April 2024

Noida (UP), India
26 April 2024

Consolidated Statement of Changes in Equity

(All amounts in crores of ₹, except share data and as stated otherwise)

	Equity share capital		Other equity												
			Reserves and Surplus							Other comprehensive income					
	Number of shares*	Share capital	Retained earnings	Remeasurement of defined benefit plans	Treasury share reserve	Securities premium	Capital redemption reserve	Share based payment reserve	Special economic zone re-investment reserve	Foreign currency translation reserve	Cash flow hedging reserve	Debt instruments through other comprehensive income	Total other equity	Non Controlling Interests	Total Equity
Balance as at 1 April 2022	2,713,665,096	543	55,587	31	(804)	7	14	82	2,794	3,190	466	4	61,371	92	62,006
Profit for the year	-	-	14,851	-	-	-	-	-	-	-	-	-	14,851	(6)	14,845
Other comprehensive income (refer note 3.26)	-	-	-	152	-	-	-	-	-	1,541	(387)	(5)	1,301	-	1,301
Total comprehensive income for the year	-	-	14,851	152	-	-	-	-	-	1,541	(387)	(5)	16,152	(6)	16,146
Transactions with owners of the Company															
Contributions and distributions															
Interim dividend of ₹48 per share	-	-	(12,995)	-	-	-	-	-	-	-	-	-	(12,995)	-	(12,995)
Transfer to special economic zone re-investment reserve	-	-	(1,914)	-	-	-	-	-	1,914	-	-	-	-	-	-
Transfer from special economic zone re-investment reserve	-	-	579	-	-	-	-	-	(579)	-	-	-	-	-	-
Share based payments to employees	-	-	-	-	-	-	-	308	-	-	-	-	308	-	308
Issue of treasury shares to employees	-	-	(1)	-	3	-	-	(2)	-	-	-	-	-	-	-
Excess tax benefit from share based payments	-	-	5	-	-	-	-	-	-	-	-	-	5	-	5
Changes in ownership interests															
Change in non-controlling interest (refer note 3.29)	-	-	21	-	-	-	-	-	-	-	-	-	21	(93)	(72)
Balance as at 31 March 2023	**2,713,665,096**	**543**	**56,133**	**183**	**(801)**	**7**	**14**	**388**	**4,129**	**4,731**	**79**	**(1)**	**64,862**	**(7)**	**65,398**
Balance as at 1 April 2023	**2,713,665,096**	**543**	**56,133**	**183**	**(801)**	**7**	**14**	**388**	**4,129**	**4,731**	**79**	**(1)**	**64,862**	**(7)**	**65,398**
Profit for the year	-	-	15,702	-	-	-	-	-	-	-	-	-	15,702	8	15,710
Other comprehensive income (refer note 3.26)	-	-	-	24	-	-	-	-	-	414	418	(1)	855	-	855
Total comprehensive income for the year	**-**	**-**	**15,702**	**24**	**-**	**-**	**-**	**-**	**-**	**414**	**418**	**(1)**	**16,557**	**8**	**16,565**
Transactions with owners of the Company															
Contributions and distributions															
Interim dividend of ₹ 52 per share	-	-	(14,080)	-	-	-	-	-	-	-	-	-	(14,080)	-	(14,080)
Transfer to special economic zone re-investment reserve	-	-	(2,349)	-	-	-	-	-	2,349	-	-	-	-	-	-
Transfer from special economic zone re-investment reserve	-	-	975	-	-	-	-	-	(975)	-	-	-	-	-	-
Share based payments to employees	-	-	-	-	-	-	-	312	-	-	-	-	312	-	312
Issue of treasury shares to employees	-	-	(18)	-	79	-	-	(61)	-	-	-	-	-	-	-
Excess tax benefit from share based payments	-	-	69	-	-	-	-	-	-	-	-	-	69	-	69
Changes in ownership interests															
Change in non-controlling interest	-	-	-	-	-	-	-	-	-	-	-	-	-	7	7
Balance as at 31 March 2024	**2,713,665,096**	**543**	**56,432**	**207**	**(722)**	**7**	**14**	**639**	**5,503**	**5,145**	**497**	**(2)**	**67,720**	**(8)**	**68,271**

* Includes treasury shares held by the controlled trust (refer note 3.12)

Refer note 1 for material accounting policies

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

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

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
26 April 2024

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

Roshni Nadar Malhotra
Chairperson
DIN - 02346621

C. Vijayakumar
Chief Executive Officer and Managing Director
DIN - 09244485

S. Madhavan
Director
DIN - 06451889

Prateek Aggarwal
Chief Financial Officer

Goutam Rungta
Corporate Vice President - Finance

Manish Anand
Company Secretary

Noida (UP), India
26 April 2024

Consolidated Statement of Cash Flows

(All amounts in crores of ₹, except share data and as stated otherwise)

		Year ended	
		31 March 2024	31 March 2023
A	**Cash flows from operating activities**		
	Profit before tax	20,967	19,488
	Adjustment for:		
	Depreciation and amortization expense	4,173	4,145
	Interest income	(1,273)	(769)
	Provision for doubtful debts / bad debts written off (net)	117	25
	Income on investments carried at fair value through profit and loss	(165)	(106)
	Interest expense	269	238
	Profit on sale of property, plant and equipment (net)	(4)	(162)
	Share based payments to employees	312	308
	Gain on buyback of senior notes	-	(170)
	Other non-cash charges (net)	(41)	15
		24,355	**23,012**
	Net change in		
	Trade receivables	248	(3,240)
	Inventories	60	(37)
	Other financial assets and other assets	164	917
	Trade payables	(681)	(175)
	Other financial liabilities, contract liabilities, provisions and other liabilities	2,514	1,230
	Cash generated from operations	**26,660**	**21,707**
	Income taxes paid (net of refunds)	(4,212)	(3,698)
	Net cash flow from operating activities (A)	**22,448**	**18,009**
B	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and intangibles	(1,048)	(1,661)
	Proceeds from sale of property, plant and equipment	32	217
	Payments for business acquisitions, net of cash acquired	(2,043)	(706)
	Investments in bank deposits	(13,924)	(8,346)
	Proceeds from bank deposits	10,315	4,484
	Deposits placed with body corporates	(1,079)	(2,602)
	Proceeds from deposits placed with body corporates	1,605	3,208
	Purchase of investments in securities	(41,674)	(34,620)
	Proceeds from sale/maturity of investments in securities	40,329	35,626
	Investment in limited liability partnership	-	(3)
	Distribution from limited liability partnership	-	1
	Investment in equity instruments	(8)	-
	Proceeds from sale of equity instruments	13	-
	Proceeds from return of investment in associate	-	9
	Interest received	1,041	636
	Income taxes paid	(282)	(174)
	Net cash flow used in investing activities (B)	**(6,723)**	**(3,931)**
C	**Cash flows from financing activities**		
	Proceeds from long term borrowings	6	36
	Repayment of long term borrowings	(187)	(1,884)
	Proceeds from short term borrowings	352	88
	Repayment of short term borrowings	(352)	(88)
	Payments for deferred and contingent consideration on business acquisitions	(5)	(31)
	Change in non-controlling interest	7	-
	Dividend paid	(14,073)	(12,995)
	Interest paid	(64)	(80)
	Payment of lease liabilities including interest	(1,148)	(927)
	Net cash flow used in financing activities (C)	**(15,464)**	**(15,881)**
	Net increase (decrease) in cash and cash equivalents (A+B+C)	261	(1,803)
	Effect of exchange differences on cash and cash equivalents held in foreign currency	115	358
	Cash and cash equivalents at the beginning of the year	9,065	10,510
	Cash and cash equivalents at the end of the year as per note 3.10(a)	**9,441**	**9,065**

Consolidated Statement of Cash Flows

(All amounts in crores of ₹, except share data and as stated otherwise)

Notes:

1. Reconciliation of changes in liabilities arising from financing activities

	Borrowings	Deferred and contingent consideration
Balance as at 1 April 2022	**3,985**	**-**
Cash flows (net)	(1,848)	(31)
Non cash changes		
Business combination	-	83
Translation exchange differences	277	2
Recognized in profit and loss	(163)	1
Balance as at 31 March 2023	**2,251**	**55**
Balance as at 1 April 2023	**2,251**	**55**
Cash flows (net)	(181)	(5)
Non cash changes		
Business combination	208	-
Translation exchange differences	30	2
Recognized in profit and loss	4	-
Balance as at 31 March 2024	**2,312**	**52**

2. The total amount of income taxes paid is ₹ 4,494 crores (previous year, ₹ 3,872 crores).

3. Cash and cash equivalents includes unclaimed dividend of ₹15 crores (previous year, ₹8 crores).

The accompanying notes are an integral part of the consolidated financial statements

As per our report of even date attached

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 Limited

Rakesh Dewan
Partner
Membership Number: 092212

Roshni Nadar Malhotra
Chairperson
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C. Vijayakumar
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Chief Financial Officer

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Corporate Vice President - Finance

Manish Anand
Company Secretary

Gurugram, India
26 April 2024

Noida (UP), India
26 April 2024

Notes to consolidated financial statements for the year ended 31 March 2024
(All amounts in crores of ₹, except share data and as stated otherwise)

ORGANIZATION AND NATURE OF OPERATIONS

HCL Technologies Limited (hereinafter referred to as "the Company" or "the Parent Company") and its subsidiaries (hereinafter collectively referred to as "the Group") are primarily engaged in providing a range of IT and business services, engineering and R&D services and modernized software products and IP-led offerings. The Company was incorporated under the provisions of the Companies Act applicable in India in November 1991, having its registered office at 806, Siddharth, 96, Nehru Place, New Delhi- 110019. The Group leverages its global technology workforce and intellectual properties to deliver solutions across following verticals - Financial Services, Manufacturing, Life Sciences & Healthcare, Public Services, Retail & CPG, Technology & Services and Telecom, Media, Publishing and Entertainment.

The consolidated financial statements for the year ended 31 March 2024 were approved and authorized for issue by the Board of Directors on 26 April 2024.

1. MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

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

These consolidated financial statements have been prepared under the historical cost convention on an accrual and going concern basis, except for the following assets and liabilities which have been measured at fair value:

(a) Derivative financial instruments,

(b) Certain financial assets and liabilities (refer accounting policy regarding financial instruments),

(c) Defined benefit plans

The accounting policies adopted in the preparation of these consolidated 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 Group's normal operating cycle of 12 months. The statement of cash flows has been prepared under indirect method.

The Group uses the Indian rupee ('₹') as its reporting currency. All amounts are presented in crores of ₹ rounded to whole number and amounts less than ₹ 0.50 crores are presented as "-".

(b) Basis of consolidation

The consolidated financial statements comprise the financial statements of HCL Technologies Limited, the Parent Company, and its subsidiaries. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary.

The Group controls an investee if and only if the Group has:

(a) Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee),

(b) Exposure, or rights, to variable returns from its involvement with the investee, and

(c) The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

(a) The contractual arrangement with the other vote holders of the investee

(b) Rights arising from other contractual arrangements

(c) The Group's voting rights and potential voting rights

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of the subsidiaries in the Group are added on a line-by-line basis and inter-company balances and transactions including unrealized gain/loss from such transactions, are eliminated upon consolidation. When the Group ceases control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in consolidated statement of profit and loss. Any interest retained in the former subsidiary is measured at fair value when control is ceased. The consolidated financial statements are prepared by applying uniform accounting policies in use by the Group.

An associate is an entity over which the Group has significant influence, but not control or joint control over financial and operating policies. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost. The aggregate of the Group's share of profit and loss of an associate is shown on the face of the consolidated statement of profit and loss.

(c) Use of estimates, judgements and assumptions

The preparation of consolidated 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 consolidated financial statements and accompanying notes. These estimates are based on the management's best knowledge of current events, historical experience, actions that the Group 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 consolidated financial statements in the year in which the changes are made.

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

(i) Accounting for costs expected to be incurred to complete performance under fixed price projects and determination of stand-alone selling prices for each distinct performance obligation in contracts involving multiple performance obligations, refer note 1(g)

(ii) Allowance for uncollectible trade receivables, refer note 1(t)(i)

(iii) Fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis in case of business combination, refer note 1(d)

(iv) Recognition of income and deferred taxes, refer note 1(i) and note 3.25

(v) Key actuarial assumptions for measurement of future obligations under employee benefit plans, refer note 1(r) and note 3.31

(vi) Estimated forfeitures in share-based compensation expense, refer note 1(s)

(vii) Useful lives of property, plant and equipment, refer note 1(j)

(viii) Lives of intangible assets, refer note 1(k)

(ix) Identification of leases and measurement of lease liabilities and right of use assets, refer note 1(n)

(x) Key assumptions used for impairment of goodwill, refer note 1(p) and note 3.2

(xi) Provisions and contingent liabilities, refer note 1(q) and note 3.34

(d) Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is the aggregate of the consideration transferred measured at fair value at the acquisition date and the amount of any non-controlling interest in the acquiree. For each business combination, the Group measures the non-controlling interest in the acquiree at fair value. Acquisition related costs are expensed as incurred.

Any contingent consideration to be transferred by the acquirer is recognized at fair value at the acquisition date. Contingent consideration classified as financial liability is measured at fair value with changes in fair value recognized in the statement of profit and loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interest, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognized as capital reserve after reassessing the fair values of the net assets.

(e) Foreign currency and translation

The Group's consolidated financial statements are presented in Indian Rupee (₹), which is also the Parent Company's functional currency. For each entity, the Group determines the functional currency, and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation the gain or loss that is reclassified to the statement of profit and loss reflects the amount that arises from using this method.

Transactions in foreign currencies are initially recorded by the Group's entities 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 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. Revenue, expenses and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

The translation of foreign operations from respective functional currency into INR (the reporting currency) for assets and liabilities is performed using the exchange rates in effect at the balance sheet date, and for revenue, expenses and cash flows is performed using an appropriate daily weighted average exchange rate for the respective years. The exchange differences arising on translation for consolidation are reported as a component of 'other comprehensive income (loss)'. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the statement of profit and loss.

(f) Fair value measurement

The Group records certain financial assets and liabilities at fair value on a recurring basis. The Group 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 in the principal or most advantageous market for that asset or liability.

The Group holds certain fixed income securities, equity securities and derivatives, which must be measured using the guidance for fair value hierarchy and related valuation methodologies. The guidance 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 Group's assumptions about current market conditions. The fair value hierarchy also requires an entity 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 at fair value are 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 method.

(c) Cost approach – Replacement cost method.

Certain assets are measured at fair value on a non-recurring basis. These assets consist primarily of non-financial assets such as goodwill and intangible assets. Goodwill and intangible assets recognized in business combinations are measured at fair value initially and subsequently when there is an indicator of impairment, the impairment is recognized.

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.

(g) 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 Group 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. A 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 the 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, system 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.

Revenue related to other fixed price contracts providing maintenance and support services, are recognized based on the right to invoice for services performed for contracts in which the invoicing is representative of the value being delivered. If 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 product sales are shown net of applicable taxes, discounts and allowances. Revenue related to product with installation services that are critical to the product is recognized when installation of product at customer site is completed and accepted by the customer. If the revenue for a delivered item is not recognized for non-receipt of acceptance from the customer, the cost of the delivered item continues to be in inventory.

Proprietary Software Products

Revenue from distinct proprietary perpetual and term license software is recognized at a point in time at the inception of the arrangement when control transfers to the client. Revenue from proprietary term license software is recognized at a point in time for the committed term of the contract. In case of renewals of proprietary term licenses with existing customers, revenue from term license is recognized at a point in time when the renewal is agreed on signing of contracts. Revenue from support and subscription (S&S) is recognized over the contract term on a straight-line basis as the Company is providing a service of standing ready to provide support, when-and-if needed, and is providing unspecified software upgrades on a when-and-if available basis over the contract term. In case software are bundled with support and subscription either for perpetual or term based license, such support and subscription contracts are generally priced as a percentage of the net fees paid by the customer to purchase the license and are generally recognized as revenues ratably over the contractual period that the support services are provided. Revenue from these proprietary software products is classified under sale of services.

Multiple performance obligation

When a sales arrangement contains multiple performance obligation, such as services, hardware and licensed IPs (software) or combinations of each of them, revenue for each element is based on a five step approach as defined above. To the extent a contract includes multiple promised deliverables, judgment is applied to determine whether promised deliverables are capable of being distinct and are distinct in the context of the contract. If these criteria are not met, the promised deliverables are accounted for as a combined performance obligation. For arrangements with multiple distinct performance obligations or series of distinct performance obligations, consideration is allocated among the performance obligations based on their relative standalone selling price. Standalone selling price is the price at which the Group would sell a promised good or service separately to the customer. When not directly observable, we estimate standalone selling price by using the expected cost plus a margin approach. We establish a standalone selling price range for our deliverables, which is reassessed on a periodic basis or when facts and circumstances change. If the arrangement contains obligations related to License of Intellectual property (Software) or Lease deliverable, the arrangement consideration allocated to the Software deliverables, lease deliverable as a group is then allocated to each software obligation and lease deliverable.

Revenue recognition for delivered elements is limited to the amount that is not contingent on the future delivery of products or services, future performance obligations or subject to customer-specified return or refund privileges.

Revenue from certain activities in transition services in outsourcing arrangements are not capable of being distinct or represent separate performance obligation. Revenues relating to such transition activities are classified as Contract liabilities and subsequently recognized over the period of the arrangement. Direct and incremental costs in relation to such transition activities which are expected to be recoverable under the contract and generate or enhance resources of the Company that will be used in satisfying the performance obligation in the future are considered as contract fulfillment costs classified as Deferred contract cost and recognized over the period of arrangement. Certain upfront non-recurring incremental contract acquisition costs and other upfront fee paid to customer are deferred and classified as Deferred contract cost and amortized to revenue or cost, usually on a straight line basis, over the term of the contract unless revenues are earned and obligations are fulfilled in a different pattern. The undiscounted future cash flows from the arrangement are periodically estimated and compared with the unamortized costs. If the unamortized costs exceed the undiscounted cash flow, a loss is recognized.

In instances when revenue is derived from sales of third-party vendor services, material or licenses, revenue is recorded on a gross basis when the Group is a principal to the transaction and net of costs when the Group is acting as an agent between the customer and the vendor. Several factors are considered to determine whether the Group is a principal or an agent, most notably being group controls the goods or service before it is transferred to customer, latitude in deciding the price being charged to customer. Revenue is recognized net of discounts and allowances, value-added and service taxes, and includes reimbursement of out-of-pocket expenses, with the corresponding out-of-pocket expenses included in cost of revenues.

Volume discounts, or any other form of variable consideration is estimated using either the sum of probability weighted amounts in a range of possible consideration amounts (expected value), or the single most likely amount in a range of possible consideration amounts (most likely amount), depending on which method better predicts the amount of consideration realizable. Transaction price includes variable consideration only to the extent it is probable that a significant reversal of revenues recognized will not occur when the uncertainty associated with the variable consideration is resolved. Transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Our estimates of variable consideration and determination of whether to include estimated amounts in the transaction price may involve judgment and are based largely on an assessment of our anticipated performance and all information that is reasonably available to us.

The Group recognizes an onerous contract provision when the expected unavoidable costs of meeting the future obligations exceed the expected economic benefits to be received under a contract. Such provision, if any, is recorded in the period in which such losses become probable and is included in cost of revenues.

Revenue recognized but not billed to customers is classified either as contract assets or unbilled receivables in the consolidated balance sheet. Contract assets primarily relate to unbilled amounts on those contracts utilizing the cost to cost method of revenue recognition and right to consideration is not unconditional. Contract assets are recognized where there is excess of revenue over the billings. Unbilled receivables represent contracts where right to consideration is unconditional (i.e. only the passage of time is required before the payment is due). A contract liability arises when there is excess billing over the revenue recognized.

Revenue from sales-type leases is recognized when risk of loss has been transferred to the client and there are no unfulfilled obligations that affect the final acceptance of the arrangement by the client.

Interest attributable to sales-type leases and direct financing leases included therein is recognized on an accrual basis using the effective interest method and is recognized as other income.

(h) 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.

(i) Income taxes

Income tax expense comprises current and deferred income tax.

Income tax expense is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. 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. Tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred income tax assets and liabilities recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax assets and liabilities are recognized for

those temporary differences which originate during the tax holiday period and are reversed after the tax holiday period. For this purpose, reversal of timing differences is determined using first-in-first-out method.

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.

The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the year that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. Deferred income taxes are not provided on the undistributed earnings of subsidiaries and branches where it is expected that the earnings of the subsidiary or branch will not be distributed in the foreseeable future.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognized subsequently if new information about facts and circumstances change. The adjustment is either treated as a reduction in goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or recognized in the statement of profit and loss.

In some tax jurisdictions, the amount of tax deductions on share based payments to employees are different from the related cumulative remuneration expenses. If the amount of the tax deduction (or estimated future tax deduction) exceeds the amount of the related cumulative remuneration expense, such excess amount of tax deduction and the associated tax benefit is recognized directly in retained earnings.

(j) Property, plant and equipment

Property, plant and equipment 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. The Group identifies and determines separate useful lives for each major component of the property, plant and equipment, if they have a useful life that is materially different from that of the asset as a whole.

Expenses on existing property, plant and equipment, including day-to-day repairs, maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

Gains or losses arising from derecognition of 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.

Property, plant and equipment under construction and cost of assets not ready for use at the year-end are disclosed as capital work- in- progress.

Depreciation on property, plant and equipment 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 assets for computing depreciation are as follows:

Asset description	Asset life (in years)
Buildings	20
Plant and equipment (including air conditioners, electrical installations)	10
Office equipment	5
Computers and networking equipment	4-5
Furniture and fixtures	7
Vehicles	5

The useful lives as given above best represent the period over which the management expects to use these assets, based on technical assessment. The estimated useful lives for these assets are therefore different from the useful lives prescribed under Part C of Schedule II of the Companies Act 2013.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year-end and adjusted prospectively, if appropriate.

(k) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is measured at their fair value at the date of acquisition. Subsequently, following initial recognition, intangible assets are carried at cost less any accumulated amortization and impairment losses.

Intangible assets are amortized over the useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting year. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit and loss.

Gains or losses arising from derecognition of an intangible asset 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.

The intangible assets are amortized over the estimated useful life of the assets as mentioned below except certain Licensed IPRs which include the right to modify, enhance or exploit are amortized in proportion to the expected benefits over the useful life which could range up to 15 years:

Asset description	Asset life (in years)
Software	3
Licensed IPRs	5 to 15
Customer relationships	1 to 10
Customer contracts	0.5 to 3
Technology	4 to 15
Others (includes intellectual property rights, brand and non-compete agreements)	2 to 6

(l) Research and development costs

Research costs are expensed as incurred. Development expenditure, on an individual project, is recognized as an intangible asset when the Group can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale
- Its intention to complete and its ability and intention to use or sell the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development

Subsequently, following initial recognition of the development expenditure as an asset, the cost model is applied requiring the asset to be carried at cost less any accumulated amortization and accumulated impairment losses. Amortization of the asset begins when development is complete and the asset is available for use. It is amortized over the period of expected future benefit. Amortization expense is recognized in the statement of profit and loss. During the period of development, the asset is tested for impairment annually.

(m) Borrowing costs

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 are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(n) Leases

A lease is a contract that contains right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

Group is lessee in case of leasehold land, office space, accommodation for its employees & IT equipment. These leases are evaluated to determine whether it contains lease based on principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors as defined in Ind AS 116.

Right-of-use asset represents the Group's right to control the underlying assets under lease and the lease liability is the obligation to make the lease payments related to the underlying asset under lease. Right-of-use asset is measured initially based on the lease liability adjusted for any initial direct costs, prepaid rent, and lease incentives. Right-of-use asset is depreciated based on straight line method over the lease term or useful life of right-of-use asset, whichever is less. Subsequently, right-of-use asset is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of lease liability.

The lease liability is measured at the lease commencement date and determined using the present value of the minimum lease payments not yet paid and the Group's incremental borrowing rate, which approximates the rate at which the Group would borrow, in the country where the lease was executed. The Group has used a single discount rate for a portfolio of leases with reasonably similar characteristics. The lease payment comprises fixed payment less any lease incentives, variable lease payment that depends on an index or a rate, exercise price of a purchase option if the Group is reasonably certain to exercise the option and payment of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate the lease. Lease liability is subsequently measured by increase the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payment made and remeasuring the carrying amount to reflect any reassessment or modification, if any.

The Group has elected to not recognize leases with a lease term of 12 months or less in the consolidated balance sheet, including those acquired in a business combination, and lease costs for those short-term leases are recognized on a straight-line basis over the lease term in the consolidated statement of profit and loss. For all asset classes, the Group has elected the lessee practical expedient to combine lease and non-lease components and account for the combined unit as a single lease component in case there is no separate payment defined under the contract.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the year in which they are earned or contingency is resolved.

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 finance lease are recognized as a receivables at an amount equal to the present value of lease receivables. 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 consolidated 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.

When arrangements include multiple performance obligations, the Group allocates the consideration in the contract between the lease components and the non-lease components on a relative standalone selling price basis.

(o) Inventories

Stock-in-trade, stores and spares are valued at the lower of the cost or net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. 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 identifying 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.

(p) Impairment of non-financial assets

Goodwill

Goodwill is tested annually on March 31, for impairment, or sooner whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the Group's cash generating units (CGU) expected to benefit from the synergies arising from the business combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Impairment occurs when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The recoverable amount of a CGU is the higher of its fair value less cost to sell and its value-in-use. Value-in-use is the present value of future cash flows expected to be derived from the CGU. Total impairment loss of a CGU is allocated first to reduce the carrying amount of goodwill allocated to the CGU and then to the other assets of the CGU, pro-rata on the basis of the carrying amount of each asset in the CGU.

An impairment loss on goodwill recognized in the statement of profit and loss is not reversed in the subsequent period.

Intangible assets and property, plant and equipment

Intangible assets and property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. Impairment, if any, is measured by the amount by which the carrying value of the asset exceeds the estimated recoverable amount of the asset. Subsequently if there is a change in the estimates used to determine the recoverable amount, the impairment loss is reversed. Such reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined on the date of reversal, if no impairment loss had been recognized. Such impairment and any subsequent reversal is recognized under the head "Depreciation and amortization expense" in the statement of profit and loss.

(q) Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Group 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 Group 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 Group 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.

(r) Retirement and other employee benefits

(i) Provident fund: Employees of the Company and its subsidiaries in India receive benefits under the provident fund, a defined benefit plan. The employee and employer each make monthly contributions to the plan. A portion of the contribution is made to the provident fund trust managed by the Group or Government administered provident fund; while the balance contribution is made to the Government administered pension fund, a defined contribution plan. For the contribution made by the Company and its subsidiaries in India to the provident fund trust managed by the Group, the Company has an obligation to fund any shortfall on the yield of the Trust's investments over the administered interest rates. The liability is actuarially determined (using the projected unit credit method) at the end of the year. The funds contributed to the Trust are invested in specific securities as mandated by law and generally consist of federal and state government bonds, debt instruments of government-owned corporations, equity and other eligible market securities.

(ii) In respect of superannuation, a defined contribution plan for applicable employees, the Company contributes to the superannuation trust and the scheme is administered on its behalf by appointed fund managers 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 and certain foreign geographies provide 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 limit in accordance with regulatory requirement of respective geography). The liability is actuarially determined (using the projected unit credit method) at the end of each year. Actuarial gains/losses are recognized immediately in the balance sheet with a corresponding debit or credit to other comprehensive income in the year in which they occur.

In respect to certain employees in India, the Company contributes towards gratuity liabilities to the Gratuity Fund Trust. Trustees of the Company administer contributions made to the Trust and contributions are invested in a scheme with Life Insurance Corporation of India as permitted by law.

(iv) Compensated absences: The employees of the Group are entitled to compensated absences which are both accumulating and non-accumulating in nature. The employees can carry forward up to the specified portion of the unutilized accumulated compensated absences and utilize it in future periods or receive cash at retirement or termination of employment. 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 statement of profit and loss in the year in which the absences occur. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

(v) In certain subsidiaries outside India, the Group provide retirement benefit pension plans in accordance with the local laws. The liability is actuarially determined (using the projected unit credit method) at the end of each year.

(vi) Contributions to other defined contribution plans are recognized as expense when employees have rendered services entitling them to such benefits.

(s) Equity settled share based compensation

Share-based compensation represents the cost related to share-based awards granted to employees. The Company measures share-based compensation cost at grant date, based on the estimated fair value of the award and recognizes the cost on a straight line basis (net of estimated forfeitures) over the employee's requisite service period for an award with only service condition and for an award with both service and performance condition on a straight line basis over the requisite service period for each separately vesting portion of the award, as if award was in substance, multiple awards. On modification of an equity settled award, the Company re-estimates the fair value of stock option as on the date of modification and any incremental expense is expensed over the period from the modification date till the vesting date.

The Company estimates the fair value of stock options using option pricing model. The cost is recorded under the head employee benefit expense in the consolidated statement of profit and loss with corresponding increase in “Share based payment reserve”.

(t) 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.

i. 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 and 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 consolidated balance sheet, bank overdrafts are presented under borrowings within current liabilities.

Financial assets at amortized cost
A financial asset 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, unbilled receivables, trade 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 at fair value through other comprehensive income, is classified 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.

Equity investments
All equity instruments are initially measured at fair value and are subsequently re-measured with all changes recognized in the statement of profit and loss. In limited circumstances, investments, for which sufficient, more recent information to measure fair value is not available cost represents the best estimate of fair value within that range.

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

Impairment of financial assets
The Group 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.

ii. 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 and loss
Financial liabilities designated upon initial recognition at fair value through profit and 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 and loss.

Financial liabilities at amortized cost
The Group's financial liabilities at amortized cost, are initially recognized at net of transaction costs and includes trade payables, borrowings including bank overdrafts and other payables.

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.

iii. Derivative financial instruments and hedge accounting

Foreign exchange forward contracts and options are purchased to mitigate the risk of changes in foreign exchange rates associated with forecast transactions denominated in certain foreign currencies.

The Group recognizes all derivatives as assets or liabilities measured at their fair value. Changes in fair value for derivatives not designated in a hedge accounting relationship are marked to market at each reporting date and the related gains (losses) are recognized in the statement of profit and loss as 'foreign exchange gains (losses)'.

The foreign exchange forward contracts and options in respect of forecasted transactions which meet the hedging criteria are designated as cash flow hedges. Changes in the fair value of derivatives (net of tax) that are designated as effective cash flow hedges are deferred and recorded in the hedging reserve account as a component of accumulated 'other comprehensive income (loss)' until the hedged transaction occurs and are then recognized in the statement of profit and loss. The ineffective portion of hedging derivatives is immediately recognized in other income in the statement of profit and loss.

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. The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows.

Hedge accounting is discontinued prospectively from the last testing date when (1) it is determined that the derivative financial instrument is no longer effective in offsetting changes in the fair value or cash flows of the underlying exposure being hedged; (2) the derivative financial instrument matures or is sold, terminated or exercised; or (3) it is determined that designating the derivative financial instrument as a hedge is no longer appropriate. When hedge accounting is discontinued the deferred gains or losses on the cash flow hedge remain in 'other comprehensive income (loss)' until the forecast transaction occurs. Any further change in the fair value of the derivative financial instrument is recognized in current year earnings.

Offsetting of financial instruments
Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

(u) Dividend

Final dividend proposed by the Board of Directors is recognized upon approval by the shareholders who have the right to decrease but not increase the amount of dividend recommended by the Board of Directors. Interim dividends are recognized on declaration by the Board of Directors. Final and interim dividend excludes dividend on treasury shares.

(v) Earnings per share (EPS)

Basic EPS amounts are computed by dividing the net profit attributable to the equity holders of the Parent Company by the weighted average number of equity shares outstanding during the year adjusted for treasury shares held.

Diluted EPS amounts are computed by dividing the net profit attributable to the equity holders of the Parent 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. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Performance based stock unit awards are included in dilutive potential shares when they become contingently issuable and have a dilutive impact and are excluded when they are not contingently issuable. Dilutive potential equity shares are deemed converted as at the beginning of the year, unless issued at a later date. Dilutive potential equity shares are determined independently for each year presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for bonus shares.

(w) Nature and purpose of reserves

Remeasurement of defined benefit plans
The Group recognizes actuarial gains/losses on defined benefit plans in the balance sheet with a corresponding debit or credit to other comprehensive income in the period in which they occur.

Treasury share reserve
The Company's equity shares held by a trust, which is consolidated as a part of the Group, are classified as Treasury shares. Treasury shares are carried at acquisition cost and presented as a deduction from total equity as "Treasury share reserve". As and when treasury shares are transferred to employees on exercise after satisfaction of the vesting conditions, the balance lying in "Treasury share reserve" is transferred to "Retained earnings".

Securities premium
Securities premium is used to record the premium on issue of shares. The reserve can be utilized only for limited purposes such as issuance of bonus shares and buyback of shares in accordance with the provisions of the Companies Act, 2013 in India.

Capital redemption reserve
The Group recognizes cancellation of the Group's own equity instruments to capital redemption reserve.

Share based payment reserve
The share-based payment reserve is recognized over the vesting period at the grant date fair value of units issued to employees of the Group under the Company's restricted stock unit plan.

Special economic zone re-investment reserve
The Company has created special economic zone (SEZ) re-investment reserve out of profits of the eligible SEZ Units in terms of the specific provisions of Section 10AA(1) of the Income Tax Act, 1961 ("the Act"). The said reserve needs to be utilized by the Company for acquiring plant and machinery for the purposes of its business in the terms of Section 10AA (2) of the Act for availing tax benefit.

Foreign currency translation reserve
Exchange differences arising on translation of the foreign operations are recognized in other comprehensive income as described in the accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit and loss when the net investment is disposed-off.

Cash flow hedging reserve
For hedging foreign currency risk, the Group uses foreign currency forward and option contracts. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognized in the cash flow hedging reserve. Amounts recognized in the cash flow hedging reserve is reclassified to the statement of profit and loss when the hedged item affects profit and loss.

Debt instruments through other comprehensive income
The Group recognizes changes in the fair value of debt instruments held with business objective of collect and sell in other comprehensive income. The Group transfers amounts from this reserve to the statement of profit and loss when the debt instrument is sold.

(x) Adoption of new accounting principles

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

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 Group has adopted this amendment effective 1 April 2023. The Group previously accounted for deferred tax on leases on a net basis. Following the amendments, the Group has recognized a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. The adoption did not have any impact on the current and comparative periods presented in the consolidated financial statements.

(y) Recently issued accounting pronouncements

As on 31 March 2024, there are no new standards or amendments to the existing standards applicable to the Group which has been notified by Ministry of Corporate Affairs.

2. ACQUISITIONS

(a) Acquisition / arrangements during the year

(i) Acquisition of ASAP Group

On 12 July 2023, the Group through a wholly owned subsidiary, signed a definitive agreement to acquire 100% shareholding of ASAP Group, an automotive engineering services company, based in Germany, for consideration payable in cash. The acquisition got consummated on 31 August 2023 post regulatory approvals. The Group paid ₹ 2,088 crores on acquisition date.

Total purchase consideration of ₹ 2,088 crores was allocated based on fair values to the acquired assets and liabilities as follows:

	Amount
Property plant and equipment, net (including capital work in progress and software)	374
Right-of-use assets	211
Net working capital (including cash of ₹ 45 crores)	166
Borrowings	(208)
Lease liabilities	(211)
Deferred tax liabilities (net)	(153)
Intangible assets	527
Goodwill	1,382
Total purchase consideration	**2,088**

The resultant goodwill is non-tax deductible and has been allocated to the Engineering and R&D Services segment. The acquisition will boost Group's global leadership in engineering services by strengthening its advanced technology capabilities in the fast-growing automotive engineering services segment in Europe and other key global markets.

The table below shows the values and lives of intangible assets recognized on acquisition which will be amortized on straight line basis:

	Amount	Life (Years)
Customer relationships	374	10
Brand	104	5
Customer contracts	31	1
Non-compete agreement	18	2
Total intangible assets	**527**	

Subsequent to the date of acquisition, during the year ended 31 March 2024, the Group has finalised the purchase price allocation for this acquisition, which has resulted in decrease in net assets by ₹ 33 crores with corresponding increase in value of goodwill.

In addition to the purchase consideration, ₹ 135 crore is payable to certain key employees over a three-year period, contingent upon these employees continuing to be the employees of the Group on the payment date and achievement of certain performance conditions. This amount is being accounted for as post-acquisition employee compensation expense.

(b) Acquisitions in the previous year

(i) Acquisition of Starschema Kft

On 14 January 2022, the Group through a wholly owned subsidiary had signed a definitive agreement to acquire 100% shareholding of Starschema, a leading provider of data engineering services, based in Budapest, Hungary for a consideration of ₹ 343 crores payable in cash. Starschema provides consulting, technology and managed services in data engineering to companies in the U.S. and Europe.

The acquisition consummated on 2 April 2022 and the Group paid ₹ 343 crores on acquisition date.

Total purchase consideration of ₹ 343 crores has been allocated based on fair values to the acquired assets and liabilities as follows:

	Amount
Net working capital (including cash of ₹ 18 crores)	42
Deferred tax liabilities, net	(7)
Property plant and equipment, net	5
Intangible assets	79
Goodwill	224
Total purchase consideration	**343**

The resultant goodwill was non-tax deductible and has been allocated to the Engineering and R&D Services segment. The strategic acquisition will enhance HCL's capability in digital engineering, driven by data engineering and increase its presence in Central and Eastern Europe.

The table below shows the values and lives of intangible assets recognized on acquisition which will be amortized on straight line basis:

	Amount	Life (Years)
Customer relationships	41	4
Customer contracts	8	1
Brand	30	5
Total intangible assets	**79**	

In addition to the purchase consideration, ₹ 20 crores is payable to certain key employees over a two-year period. Payment of this amount is contingent upon these employees continuing to be the employees of the Group on the payment date. This consideration is being accounted for as post acquisition employee compensation expense.

(ii) Acquisition of Confinale AG

On 6 May 2022, the Group through a wholly owned subsidiary had signed a definitive agreement to acquire 100% shareholding of Confinale AG, a digital banking and wealth management consulting specialist and Avaloq Premium Implementation Partner, based in Switzerland for a consideration of ₹ 472 crores payable including contingent consideration of ₹ 79 crores payable which is dependent on achievement of certain specified performance obligations as set out in the agreement to be achieved over a period of two years.

The acquisition consummated on 31 May 2022 and the Group had paid ₹ 401 crores in cash. The Group subsequently paid contingent consideration amounting to ₹ 27 crores during the year 31 March 2023 on achievement of certain specified performance obligations as set out in the agreement.

The contingent consideration of ₹ 79 crores payable has been initially fair valued at ₹ 71 crores and recorded as part of the purchase consideration. The purchase consideration of ₹ 472 crores after considering fair value of contingent consideration of ₹ 71 crores has been allocated based on fair values to the acquired assets and liabilities as follows:

	Amount
Net working capital (including cash of ₹ 33 crores)	40
Deferred tax liabilities, net	(28)
Property plant and equipment, net	2
Intangible assets	168
Goodwill	290
Total purchase consideration	**472**

The resultant goodwill was non-tax deductible and has been allocated to the IT and Business Services segment. The strategic acquisition will allow HCL to gain market share in a fast growing market in financial services and digital wealth management technology solutions.

The table below shows the values and lives of intangible assets recognized on acquisition which will be amortized on straight line basis:

	Amount	Life (Years)
Customer relationships	89	4
Customer contracts	16	1
Brand	45	6
Technology	18	4
Total intangible assets	**168**	

In addition to the purchase consideration, ₹ 32 crores is payable to certain key employees over a two and half years period. Payment of this amount is contingent upon these employees continuing to be the employees of the Group on the payment date. This consideration is being accounted for as post acquisition employee compensation expense.

(iii) Acquisition of Quest Informatics Private Limited

On 12 July 2022, the Group through a wholly owned subsidiary had signed a definitive agreement to acquire 100% shareholding of Quest Informatics Private Limited (Quest) - an aftermarket, Industry 4.0 and IoT company, based in Bengaluru, India for a consideration of ₹ 42 crores payable in cash. Quest serves global leaders in the aftermarket space with its cloud-enabled aftermarket ERP, field services management, and digital parts catalog product suites.

The acquisition consummated on 12 July 2022 and the Group had paid ₹ 29 crores on acquisition date, ₹ 8 crores has been paid subsequently, and balance is payable based on realization of net assets acquired as per the terms of the agreement.

Total purchase consideration of ₹ 42 crores has been allocated based on fair values to the acquired assets and liabilities as follows:

	Amount
Net working capital (including cash of ₹ 18 crores)	23
Investments	4
Deferred tax liabilities, net	(2)
Intangible assets – Technology	8
Goodwill	9
Total purchase consideration	**42**

The resultant goodwill was non-tax deductible and has been allocated to the HCL Software segment. This acquisition will help expand HCL's offerings into the fast-growing aftermarket space and the aftermarket solutions and products will be valuable to transportation and manufacturing clients globally in their digital transformation journey.

The acquired technology is estimated to have a life of 5 years which will be amortized on straight line basis.

3. Notes to consolidated financial statements

3.1 Property, plant and equipment

The changes in the carrying value for the year ended 31 March 2024

	Freehold land	Buildings	Plant and equipment	Office Equipment	Computers and networking equipment	Furniture and fixtures	Vehicles #	Total
Gross block as at 1 April 2023	**84**	**3,461**	**1,952**	**384**	**6,790**	**952**	**158**	**13,781**
Additions	-	19	50	37	470	31	68	**675**
Acquired through business combinations	-	56	207	20	2	57	3	**345**
Disposals/other adjustments	-	3	55	13	234	65	23	**393**
Translation exchange differences	-	1	11	1	18	10	-	**41**
Gross block as at 31 March 2024	**84**	**3,534**	**2,165**	**429**	**7,046**	**985**	**206**	**14,449**
Accumulated depreciation as at 1 April 2023	**-**	**1,399**	**1,421**	**318**	**4,495**	**710**	**67**	**8,410**
Depreciation	-	183	160	29	983	80	34	**1,469**
Disposals/other adjustments	-	3	43	13	210	61	18	**348**
Translation exchange differences	-	1	6	1	12	7	-	**27**
Accumulated depreciation as at 31 March 2024	**-**	**1,580**	**1,544**	**335**	**5,280**	**736**	**83**	**9,558**
Net block as at 31 March 2024	**84**	**1,954**	**621**	**94**	**1,766**	**249**	**123**	**4,891**
Capital work in progress*								**108**

* During the year ended 31 March 2024, ₹40 crores has been capitalized and transferred from capital work in progress to property, plant and equipment

\# Also refer footnote 1 of note 3.13

The changes in the carrying value for the year ended 31 March 2023

	Freehold land	Buildings	Plant and equipment	Office Equipment	Computers and networking equipment	Furniture and fixtures	Vehicles #	Total
Gross block as at 1 April 2022	**78**	**3,442**	**1,946**	**385**	**5,863**	**939**	**143**	**12,796**
Additions	24	73	81	17	955	67	55	**1,272**
Acquired through business combinations	-	-	-	-	3	-	1	**4**
Disposals/other adjustments	18	60	96	25	157	84	41	**481**
Translation exchange differences	-	6	21	7	126	30	-	**190**
Gross block as at 31 March 2023	**84**	**3,461**	**1,952**	**384**	**6,790**	**952**	**158**	**13,781**
Accumulated depreciation as at 1 April 2022	**-**	**1,273**	**1,346**	**302**	**3,502**	**694**	**67**	**7,184**
Depreciation	-	173	154	34	1,017	72	28	**1,478**
Disposals/other adjustments	-	51	93	24	130	78	28	**404**
Translation exchange differences	-	4	14	6	106	22	-	**152**
Accumulated depreciation as at 31 March 2023	**-**	**1,399**	**1,421**	**318**	**4,495**	**710**	**67**	**8,410**
Net block as at 31 March 2023	**84**	**2,062**	**531**	**66**	**2,295**	**242**	**91**	**5,371**
Capital work in progress*								**40**

* During the year ended 31 March 2023, ₹ 129 crores has been capitalized and transferred from capital work in progress to property, plant and equipment

\# Also refer footnote 1 of note 3.13

3.2 Goodwill

The following table presents the changes in the carrying value of goodwill based on identified CGUs, for the year ended 31 March 2024

	IT and Business Services	Engineering and R&D services	HCL Software	Total
Opening balance as at 1 April 2023	7,367	3,191	8,009	18,567
Acquired through business combinations	-	1,382	-	1,382
Measurement period adjustments (refer note 2(a)(i))	-	33	-	33
Translation exchange differences	115	1	34	150
Closing balance as at 31 March 2024	**7,482**	**4,607**	**8,043**	**20,132**

The following table presents the changes in the carrying value of goodwill based on identified CGUs, for the year ended 31 March 2023

	IT and Business Services	Engineering and R&D services	HCL Software	Total
Opening balance as at 1 April 2022	6,716	2,899	7,802	17,417
Acquired through business combinations	290	224	9	523
Translation exchange differences	361	68	198	627
Closing balance as at 31 March 2023	**7,367**	**3,191**	**8,009**	**18,567**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to the CGU, which benefits from the synergies of the acquisition.

Goodwill is tested annually on March 31, for impairment, or sooner whenever there is an indication that goodwill may be impaired. Impairment is recognized, when the carrying amount of a CGU including the goodwill, exceeds the estimated recoverable amount of the CGU. The estimated value-in-use of the CGU is based on the future cash flow forecasts for 5 to 6 years and then on perpetuity on the basis of certain assumptions which include revenue growth, earnings before interest and taxes, taxes, capital outflow and working capital requirement. The assumptions are taken on the basis of past trends and management estimates and judgement. Future cash flows are discounted with "Weighted Average Cost of Capital". The key assumptions are as follows:

	As at 31 March 2024		
	IT and Business Services	Engineering and R&D services	HCL Software
Revenue growth rate (average of next 5 years) (%)	7.8	6.0	(0.6)
Terminal revenue growth rate (%)	2.0	2.0	(4.1)
Pre-tax discount rate (%)	12.6	13.8	16.2

	As at 31 March 2023		
	IT and Business Services	Engineering and R&D services	HCL Software
Revenue growth rate (average of next 5 to 6 years) (%)	8.0	6.0	(0.5)
Terminal revenue growth rate (%)	2.0	2.0	(3.7)
Pre-tax discount rate (%)	12.1	13.8	15.7

As at 31 March 2024 and 31 March 2023 the estimated recoverable amount of each CGU exceeded the carrying amount and accordingly, no impairment was recognized. An analysis of the sensitivity of the computation to a change in key assumptions based on reasonable probability did not identify any probable scenario in which the recoverable amount of the CGUs would decrease below the carrying amount.

3.3 Other intangible assets

The changes in the carrying value for the year ended 31 March 2024

	Software	Licensed IPRs	Customer relationships	Customer contracts	Technology	Others	Total
Gross block as at 1 April 2023	**1,058**	**5,744**	**7,734**	**108**	**3,081**	**181**	**17,906**
Additions	27	46	-	34	-	-	**107**
Acquired through business combinations	14	-	374	31	-	122	**541**
Disposals / other adjustments	6	12	-	110	-	-	**128**
Translation exchange differences	5	12	6	2	10	(2)	**33**
Gross block as at 31 March 2024	**1,098**	**5,790**	**8,114**	**65**	**3,091**	**301**	**18,459**
Accumulated amortization and impairment as at 1 April 2023	**917**	**3,031**	**3,900**	**104**	**1,542**	**68**	**9,562**
Amortization, net	86	416	882	28	401	49	**1,862**
Disposals / other adjustments	5	-	-	110	-	-	**115**
Translation exchange differences	4	6	3	1	7	(1)	**20**
Accumulated amortization and impairment as at 31 March 2024	**1,002**	**3,453**	**4,785**	**23**	**1,950**	**116**	**11,329**
Net block as at 31 March 2024	**96**	**2,337**	**3,329**	**42**	**1,141**	**185**	**7,130**
Estimated remaining useful life (in years)	3	9	9	3	5	4	

The changes in the carrying value for the year ended 31 March 2023

	Software	Licensed IPRs	Customer relationships	Customer contracts	Technology	Others	Total
Gross block as at 1 April 2022	**901**	**5,745**	**7,614**	**181**	**3,015**	**115**	**17,571**
Additions	136	-	43	14	-	-	**193**
Acquired through business combinations	3	-	130	24	26	75	**258**
Disposals / other adjustments	3	68	128	122	-	14	**335**
Translation exchange differences	21	67	75	11	40	5	**219**
Gross block as at 31 March 2023	**1,058**	**5,744**	**7,734**	**108**	**3,081**	**181**	**17,906**
Accumulated amortization and impairment as at 1 April 2022	**811**	**2,588**	**3,098**	**163**	**1,118**	**50**	**7,828**
Amortization	97	477	896	54	401	30	**1,955**
Disposals / other adjustments	3	61	128	122	-	14	**328**
Translation exchange differences	12	27	34	9	23	2	**107**
Accumulated amortization and impairment as at 31 March 2023	**917**	**3,031**	**3,900**	**104**	**1,542**	**68**	**9,562**
Net block as at 31 March 2023	**141**	**2,713**	**3,834**	**4**	**1,539**	**113**	**8,344**
Estimated remaining useful life (in years)	3	10	6	1	6	5	

3.4 Investments

	As at	
	31 March 2024	31 March 2023
Financial assets		
Non - current		
Unquoted investments		
Carried at fair value through profit and loss		
Equity instruments	9	31
Investment in limited liability partnership	85	79
	94	**110**
Current		
Quoted investments		
Carried at fair value through other comprehensive income		
Investment in debt securities	3,491	3,601

	As at	
	31 March 2024	31 March 2023
Unquoted investments		
Carried at fair value through profit and loss		
Investment in mutual funds	3,552	1,784
	7,043	5,385
Total investments - financial assets	**7,137**	**5,495**
Aggregate amount of quoted investments	3,491	3,601
Aggregate amount of unquoted investments	3,646	1,894
Market value of quoted investments	3,491	3,601
Investment carried at fair value through other comprehensive income	3,491	3,601
Investment carried at fair value through profit and loss	3,646	1,894

3.5 Trade receivables

(a) Non-current

	As at	
	31 March 2024	31 March 2023
Unbilled receivables	624	681
	624	**681**

(b) Current

	As at	
	31 March 2024	31 March 2023
Billed		
Unsecured, considered good (refer note below)	19,827	19,949
Trade receivables - credit impaired	178	89
	20,005	**20,038**
Loss allowance for bad and doubtful debts (refer note 3.29(c))	(522)	(466)
	19,483	**19,572**
Unbilled receivables (refer note below)	6,038	5,934
	25,521	**25,506**

Note: Includes receivables from related parties amounting to ₹ 12 crores (31 March 2023, ₹ 2 crores)

Trade receivables - current	**Not Due**	**Outstanding as at 31 March 2024 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	15,954	3,312	302	165	40	54	19,827
Undisputed - credit impaired	8	38	5	22	5	8	86
Disputed - credit impaired	-	5	7	18	26	36	92
	15,962	3,355	314	205	71	98	20,005
Loss allowance for bad and doubtful debts							(522)
							19,483
Unbilled receivables	6,038	-	-	-	-	-	6,038
							25,521

Trade receivables - current	Not Due	Outstanding as at 31 March 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	15,734	3,521	367	108	45	174	19,949
Undisputed - credit impaired	1	6	16	2	3	6	34
Disputed - credit impaired	-	1	1	22	1	30	55
	15,735	3,528	384	132	49	210	20,038
Loss allowance for bad and doubtful debts							(466)
							19,572
Unbilled receivables	5,934	-	-	-	-	-	5,934
							25,506

3.6 Loans

	As at	
	31 March 2024	31 March 2023
Non - current		
Carried at amortized cost		
Unsecured, considered good		
Inter corporate deposits	286	-
	286	**-**
Current		
Carried at amortized cost		
Unsecured, considered good		
Inter corporate deposits	793	2,602
Loans to employees	2	1
	795	**2,603**

3.7 Other financial assets

	As at	
	31 March 2024	31 March 2023
Non - current		
Carried at amortized cost		
Finance lease receivables (refer note 3.28(b))	512	682
Security deposits	125	142
Security deposits - related parties (refer note 3.32)	16	14
Bank deposits with more than 12 months maturity	1	378
Others	254	-
	908	**1,216**
Carried at fair value through other comprehensive income		
Unrealized gain on derivative financial instruments (refer note 3.29(a))	438	63
	1,346	**1,279**
Current		
Carried at amortized cost		
Finance lease receivables (refer note 3.28(b))	492	570
Interest receivable	380	281
Security deposits	72	63
Security deposits - related parties (refer note 3.32)	9	10
Others	77	83
	1,030	**1,007**

	As at	
	31 March 2024	**31 March 2023**
Carried at fair value through other comprehensive income		
Unrealized gain on derivative financial instruments (refer note 3.29(a))	204	79
Carried at fair value through profit and loss		
Unrealized gain on derivative financial instruments (refer note 3.29(a))	1	34
	1235	**1,120**

3.8 Inventories

	As at	
	31 March 2024	**31 March 2023**
Stock-in-trade	185	228
	185	**228**

3.9 Other non- current assets

	As at	
	31 March 2024	**31 March 2023**
Unsecured, considered good		
Capital advances	7	12
Advances other than capital advances		
Security deposits	36	37
Others		
Prepaid expenses	275	246
Deferred contract cost (refer note 3.19)	1,353	1,551
Contract assets	223	-
Others	-	7
	1,894	**1,853**

3.10 Cash and cash equivalents and other bank balances

	As at	
	31 March 2024	**31 March 2023**
(a) Cash and cash equivalents		
Balance with banks	8,183	5,207
Deposits with original maturity of less than 3 months (including deposits with corporations and financial institutions with original maturity less than 3 months)	935	3,790
Remittances in transit	304	20
Cheques in hand	19	40
Unclaimed dividend account	15	8
	9,456	**9,065**
Cash and cash equivalents consists of the following for the purpose of the cash flow statement:		
Cash and cash equivalent	9,456	9,065
Bank overdraft (refer note 3.13)	(15)	-
	9,441	**9,065**
(b) Other bank balances		
Short-term deposits	10,694	5,659

3.11 Other current assets

	As at	
	31 March 2024	31 March 2023
Unsecured, considered good		
Advances other than capital advances		
Security deposits	59	69
Advances to employees	38	47
Advances to suppliers	102	104
Others		
Prepaid expenses	1,821	1,645
Deferred contract cost (refer note 3.19)	908	941
Contract assets	896	629
Others	417	381
	4,241	**3,816**
Unsecured, considered doubtful		
Advances other than capital advances		
Advances to employees	-	100
Others	10	25
Less: provision for doubtful advances	(10)	(125)
	-	-
	4,241	**3,816**

3.12 Equity share capital

	As at	
	31 March 2024	31 March 2023
Authorized		
3,017,000,000 (31 March 2023, 3,017,000,000) equity shares of ₹ 2 each	603	603
Issued, subscribed and fully paid up		
2,713,665,096 (31 March 2023, 2,713,665,096) equity shares of ₹ 2 each	543	543

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 financial year

	As at			
	31 March 2024		31 March 2023	
	No. of shares	₹ in Crores	No. of shares	₹ in Crores
Number of shares at the beginning	2,713,665,096	543	2,713,665,096	543
Number of shares at the end	2,713,665,096	543	2,713,665,096	543

The Company does not have any holding / ultimate holding company.

Reconciliation of the number of treasury shares held by controlled trust at the end of the financial year

	No. of shares	
	As at	
	31 March 2024	31 March 2023
Number of shares at the beginning	6,300,153	6,320,000
Less: Issue of treasury shares to employees on exercise of RSUs	(625,574)	(19,847)
Number of shares at the end	5,674,579	6,300,153

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

Name of the shareholder	As at			
	31 March 2024		31 March 2023	
	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	1,198,549,941	44.17%	1,198,549,941	44.17%
HCL Holdings Private Limited	446,662,032	16.46%	446,662,032	16.46%

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.

Details of promoters holding in the company is as follows

Promoter name	31 March 2024		31 March 2023		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Vama Sundari Investments (Delhi) Private Limited	1,198,549,941	44.17%	1,198,549,941	44.17%	0.00%
HCL Holdings Private Limited	446,662,032	16.46%	446,662,032	16.46%	0.00%
HCL Corporation Private Limited	4,593,104	0.17%	4,593,104	0.17%	0.00%
Ms. Kiran Nadar	494,602	0.02%	494,602	0.02%	0.00%
Mr. Shiv Nadar	736	0.00%	736	0.00%	0.00%
Ms. Roshni Nadar Malhotra	696	0.00%	696	0.00%	0.00%
	1,650,301,111	**60.81%**	**1,650,301,111**	**60.81%**	**0.00%**

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	
	31 March 2024	31 March 2023
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
Aggregate number and class of shares allotted as fully paid up by way of bonus shares	1,356,832,548 Equity shares	1,356,832,548 Equity shares
Aggregate number and class of shares bought back	Nil	36,363,636 Equity shares

Capital management

The primary objective of the Group's capital management is to support business continuity and growth of the company while maximizing the shareholder value. The Group has been declaring quarterly dividend for last 21 years. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements have been generally met through operating cash flows generated. The Company has also taken borrowings to meet local funding requirements in certain foreign subsidiaries.

Restricted Stock Unit Plan 2021 ("RSU 2021" or "Plan")

In November 2021, the Company instituted the Restricted Stock Unit Plan 2021 to provide equity-based incentives to all eligible employees of the Company and its subsidiaries. The Plan is administered by the Nomination and Remuneration Committee (NRC) of the Company through a controlled Trust. A maximum of 11,100,000 Restricted stock units (RSU) may be granted under the Plan. Each RSU granted under the plan entitles the holder to one equity share of the Company at an exercise price, which is approved by the Nomination and Remuneration Committee.

NRC granted RSUs to the eligible employees of the Company and its subsidiaries under the Plan. Subsequent to this grant, the Trust acquired shares from secondary market for the purpose of implementation of the Plan.

A summary of the general terms of grants under RSU 2021 plan is as below:

	RSU Plan 2021
Maximum number of RSUs under the plan	11,100,000
Method of settlement (cash / equity)	Equity
Vesting period (maximum)	5 years
Exercise price at par	₹ 2
Exercise period from the date of vesting (maximum)	6 months

The details of activity under the plan has been summarized below:

	Year ended			
	31 March 2024		31 March 2023	
	No. of RSUs	Weighted average exercise price (₹)	No. of RSUs	Weighted average exercise price (₹)
Outstanding at the beginning of the year	7,753,568	2	7,765,791	2
Add: Granted during the year	312,335	2	726,164	2
Less: Forfeited during the year	(516,328)	-	(718,540)	-
Less: Exercised during the year	(625,574)	2	(19,847)	2
Less: Expired during the year	(3,034)	-	-	-
RSUs outstanding at the end of the year	6,920,967	2	7,753,568	2
RSUs exercisable at the end of the year	5,253,882	2	137,537	***2***

The weighted average share price of RSUs exercised during the year was ₹ 1,162 (31 March 2023, ₹ 1,040)

Total number of outstanding RSUs include 842,404 (31 March 2023, 1,524,526) performance based RSUs, including those linked to relative performance parameters against selected industry peers, given to certain senior employees. Number of shares expected to vest will be based on actual performance for each of the performance parameters. All other RSUs will vest if the employee continues to be in service and on the roles of the Company or its subsidiaries on the vesting date.

Outstanding performance based RSUs also includes 57,730 (31 March 2023, 282,008) RSUs, for which performance targets will be finalized and communicated in subsequent years. Cost for these RSUs will be accounted from date of finalization of performance targets.

The details of exercise price for RSUs outstanding is as below:

Name of the plan	Exercise price (₹)	Number of RSUs outstanding	Weighted average remaining contractual life of RSUs (in years)
Restricted Stock Unit Plan 2021			
At 31 March 2024	2	6,920,967	0.6
At 31 March 2023	2	7,753,568	1.4

The fair value of the awards are determined using the Black-Scholes Model for RSUs with time and non-market performance-based vesting conditions and Monte Carlo simulation model is used for RSUs with market performance based vesting conditions. The inputs to the model include the share price at date of grant, exercise price, expected volatility, expected dividends, expected term and the risk-free rate of interest. Expected volatility during the term of the RSUs is based on historical volatility of the observed market prices of the Company's publicly traded equity shares during a period equivalent to the expected term of the RSUs. Expected volatility of the selected industry peers have been modelled based on historical movements in the market prices of their publicly traded equity shares during a period equivalent to the expected term of the RSUs. Correlation coefficient is calculated between each peer entity based on the historical weekly share prices of the companies.

The fair value of each equity-settled award granted during the year is estimated on the date of grant using the following assumptions:

	Year ended	
	31 March 2024	31 March 2023
Weighted average fair value (₹)	1,069	922
Weighted average share price (₹)	1,214	1,048
Exercise Price (₹)	2	2
Expected Volatility (%)	22.7 - 29.3	25.7 - 33.6
Life of the units granted (vesting and exercise period) in years	1.3 - 4.5	1.3 - 3.9
Expected dividends (%)	3.9 - 4.4	3.6 - 5.1
Average risk-free interest rate (%)	6.8 - 7.1	4.9 - 7.1

The expected life of the RSU is estimated based on the vesting term and contractual term of the RSU, as well as expected exercise behavior of the employee who receives the RSU.

3.13 Borrowings

	Non-current		Current	
	As at		As at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Long term borrowings				
Secured				
Term loans from banks (refer note 1 and 2 below)	113	40	63	19
Unsecured				
Senior notes (refer note 3 below)	2,095	2,060	-	-
Term loans from banks (refer note 4 and 5 below)	15	11	26	121
	2,223	**2,111**	**89**	**140**
Less: Current maturities of long term borrowings	-	-	(89)	(140)
	2,223	**2,111**	**-**	**-**
Short term borrowings				
Unsecured				
Bank overdraft (refer note 6 below)	-	-	15	-
Current maturities of long term borrowings	-	-	89	140
	-	**-**	**104**	**140**

Note:

1. The Group has term loans of ₹ 42 crores (31 March 2023, ₹ 59 crores) secured against gross block of vehicles of ₹ 129 crores (31 March 2023, ₹ 142 crores) at interest rates ranging from 7.50% p.a. to 9.15% p.a. (31 March 2023, 7.45% p.a. to 9.15% p.a.). The loans are repayable over a period of 3 to 5 years on a monthly basis.

2. The Group has term loans of ₹ 134 crores (31 March 2023, Nil) secured against assets of certain subsidiaries at interest rates ranging from 0.70% p.a. to 2.59% p.a. The loans are repayable till June 2031 on monthly / quarterly basis.

3. On 10 March 2021, the Group issued unsecured senior notes of USD 500 million (the “notes”) for ₹ 3,656 crores. The notes bear interest at a rate of 1.375% per annum and will mature on 10 March 2026. Interest on the notes will be paid semi-annually on 10 March and 10 September of each year. The notes are listed on Singapore Exchange Securities Trading Limited (SGX-ST). The notes were issued at the discount price of 99.510% against par value and have an effective interest rate of 1.58% p.a. after considering the issue expenses and discount of ₹ 37 crores.

   On 21 February 2023, the Group bought back USD 248 million senior notes (carried at USD 246 million, net of issue expenses and discount) for USD 225 million (₹ 1,814 crores). The resulting gain of USD 21 million (₹ 170 crores) on derecognition of senior notes has been recognized in “other income”.

4. Unsecured long term loan of ₹ 11 crores (31 March 2023, ₹ 132 crores) borrowed from banks at interest rates ranging from 9.10% p.a. to 9.15% p.a. (31 March 2023, 8.35% p.a. to 8.70% p.a.). The loan is repayable till July 2024.

5. The Group has unsecured term loans of ₹ 30 crores (31 March 2023, Nil) at interest rates ranging from 0.70% p.a. to 2.85% p.a. The loans are repayable till December 2027 on monthly / quarterly basis.

6. Represents bank overdrafts required for management of working capital at interest rates ranging from 5.00% p.a. to 6.19% p.a. which are repayable on demand.

3.14 Trade payables - current

	As at	
	31 March 2024	**31 March 2023**
Trade payables	2,564	2,516
Trade payables-related parties (refer note 3.32)	6	10
	2,570	2,526
Unbilled and accruals	3,252	3,875
Unbilled and accruals-related parties (refer note 3.32)	31	27
	3,283	3,902
	5,853	**6,428**

Particulars	**Not Due**	**Outstanding as at 31 March 2024 from the due date of payment**				
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed	2,301	265	3	-	-	2,569
(ii) Disputed	-	-	-	-	1	1
	2,301	265	3	-	1	2,570
Unbilled and accruals						3,283
						5,853

Particulars	**Not Due**	**Outstanding as at 31 March 2023 from the due date of payment**				
		Less than 1 year	**1-2 years**	**2-3 years**	**More than 3 years**	**Total**
(i) Undisputed	2,415	107	1	-	1	2,524
(ii) Disputed	-	-	-	1	1	2
	2,415	107	1	1	2	2,526
Unbilled and accruals						3,902
						6,428

Relationship with Struck off companies

Name of the struck off Company	**Nature of Transactions**	**Relationship**	**Year ended**			
			31 March 2024		**31 March 2023**	
			Transaction	**Balance outstanding**	**Transaction**	**Balance outstanding**
Zarunodaya Electromechanical Pvt Ltd	Payables	Vendor	-	-	-*	-
Rushabhdev Commodities Broking	Receivables	Customer	-	-	-*	-
SRV Commodities Pvt. Ltd	Receivables	Customer	-	-	-*	-
Mountain Valley Sprrings Pvt. Ltd	Receivables	Customer	-	-	-*	-

* amounts are less than 0.50 crores

3.15 Other financial liabilities

	As at	
	31 March 2024	31 March 2023
Non - current		
Carried at amortized cost		
Employee bonuses accrued	45	20
Capital accounts payables	196	305
Others	429	72
	670	397
Carried at fair value through other comprehensive income		
Unrealized loss on derivative financial instruments [refer note 3.29(a)]	-	15
Carried at fair value through profit and loss		
Others	60	94
	60	94
	730	**506**
Current		
Carried at amortized cost		
Interest accrued but not due on borrowings	2	3
Unclaimed dividends	15	8
Deferred consideration	2	8
Accrued salaries and benefits		
Employee bonuses accrued	3,258	2,688
Other employee costs	1,698	1,579
Others		
Liabilities towards customer contracts	218	350
Capital accounts payables	347	447
Others	90	66
	5,630	**5,149**
Carried at fair value through other comprehensive income		
Unrealized loss on derivative financial instruments [refer note 3.29(a)]	**-**	**6**
Carried at fair value through profit and loss		
Unrealized loss on derivative financial instruments (refer note 3.29(a))	11	8
Contingent consideration	50	47
	61	55
	5,691	**5,210**

3.16 Provisions

	As at	
	31 March 2024	31 March 2023
Non-current		
Provision for employee benefits		
Provision for gratuity (refer note 3.31)	778	645
Provision for pension (refer note 3.31)	119	117
Provision for leave benefits	715	553
	1,612	**1,315**

	As at	
	31 March 2024	**31 March 2023**
Current		
Provision for employee benefits		
Provision for gratuity (refer note 3.31)	189	184
Provision for pension (refer note 3.31)	9	3
Provision for leave benefits	925	830
Other provisions	214	103
	1,337	**1,120**

3.17 Other non-current liabilities

	As at	
	31 March 2024	**31 March 2023**
Other deposits	57	41
	57	**41**

3.18 Other current liabilities

	As at	
	31 March 2024	**31 March 2023**
Advances received from customers	158	252
Withholding and other statutory dues	2,010	1,343
Others	15	-
	2,183	**1,595**

3.19 Revenue from operations

	Year ended	
	31 March 2024	**31 March 2023**
Sale of services	107,864	99,024
Sale of hardware and software	2,049	2,432
	109,913	**101,456**

Disaggregate revenue information

Revenue disaggregation as per geography has been included in segment information (Refer note 3.30).

Remaining performance obligations

Remaining performance obligations are subject to variability due to several factors such as terminations, changes in scope of contracts, periodic revalidations of the estimates, economic factors (changes in currency rates, tax laws etc). As at 31 March 2024, the aggregate amount of transaction price allocated to remaining performance obligation as per the requirements of Ind AS 115 was ₹ 134,365 crores (31 March 2023, ₹ 99,607 crores) out of which, approximately 40% (31 March 2023, 39%) is expected to be recognized as revenues within one year and the balance beyond one year. These amounts are not adjusted for variable consideration allocated to remaining performance obligation, which are not probable. These amounts also exclude contracts for which we recognize revenues based on the right to invoice for services performed and contracts where consideration is in the form of a sales-based or usage-based royalty promised in exchange for a license of intellectual property.

Contract balances

Contract assets : Out of ₹ 1,119 crores contract assets as on 31 March 2024, ₹ 8 crore pertains to the period prior to 31 March 2023 and the balance pertains to current year.

Contract liabilities :

The below table discloses the movement in balances of contract liabilities :

	Year ended	
	31 March 2024	**31 March 2023**
Balance as at beginning of the year	4,701	4,038
Additional amounts billed but not recognized as revenue	3,661	3,120
Deduction on account of revenues recognized during the year	(3,213)	(2,617)
Acquired through business combinations	36	-
Translation exchange differences	18	160
Balance as at end of the year	**5,203**	**4,701**

Deferred contract cost: Deferred contract cost primarily represents the contract fulfilment cost and cost for obtaining the contract.

The below table discloses the movement in balance of deferred contract cost:

	Year ended	
	31 March 2024	**31 March 2023**
Balance as at beginning of the year	2,492	2,553
Additional cost capitalized during the year	814	711
Deduction on account of cost amortized during the year	(1,074)	(895)
Translation exchange differences	29	123
Balance as at end of the year	**2,261**	**2,492**

Reconciliation of revenue recognised with the contracted price is as follows:

	Year ended	
	31 March 2024	**31 March 2023**
Contracted price	111,040	102,251
Reduction towards variable consideration components	(1,127)	(795)
Revenue recognised	**109,913**	**101,456**

The reduction towards variable consideration comprises of volume discounts, service level credits, etc.

3.20 Other income

	Year ended	
	31 March 2024	**31 March 2023**
Interest income		
- On debt securities	226	193
- On bank and other deposits	977	502
- On income tax refund	3	6
- On others	67	68
Income on investments carried at fair value through profit and loss		
- Unrealized gains on fair value changes on mutual funds	11	7
- Profit on sale of mutual funds	166	103
- Share of profit in limited liability partnership	4	(2)
- Unrealized (loss) on fair value changes on equity instruments	(18)	(2)
- Profit on sale of equity instruments	2	-
Profit on sale of property, plant and equipments (net) (refer note below)	4	162
Exchange differences (net)	-	91
Gain on buyback of senior notes (refer note 3.13)	-	170
Miscellaneous income	53	60
	1,495	**1,358**

Note : Net of loss on sale of property, plant and equipments of ₹ 1 crores (previous year ₹ 5 crores).

3.21 Changes in inventories of stock-in-trade

	Year ended	
	31 March 2024	**31 March 2023**
Opening stock	228	161
Less : Closing stock	185	228
	43	**(67)**

3.22 Employee benefits expense

	Year ended	
	31 March 2024	**31 March 2023**
Salaries, wages and bonus	54,606	48,717
Contribution to provident fund and other employee funds	7,288	6,041
Share based payments to employees	312	308
Staff welfare expenses	274	214
	62,480	**55,280**

3.23 Finance costs

	Year ended	
	31 March 2024	**31 March 2023**
Interest on lease liabilities	153	103
Interest on direct taxes	49	49
Other interest costs and bank charges	351	201
	553	**353**

3.24 Other expenses

	Year ended	
	31 March 2024	**31 March 2023**
Rent (refer note 3.28)	68	67
Power and fuel	360	328
Insurance	117	109
Repairs and maintenance	776	764
Communication costs	573	502
Travel and conveyance	1,314	1,235
Legal and professional charges	619	547
Software license fee	1,000	1,037
Rates and taxes	167	227
Recruitment, training and development	297	552
Expenditure toward corporate social responsibility activities	264	240
Provision for doubtful debts / bad debts written off (net)	117	25
Exchange differences (net)	2	-
Others	1,186	960
	6,860	**6,593**

3.25 Income taxes

	Year ended	
	31 March 2024	**31 March 2023**
Income tax charged to statement of profit and loss		
Current income tax charge	4,626	4,665
Deferred tax charge (credit)	631	(22)
	5,257	**4,643**
Income tax charged to other comprehensive income		
Expense (benefit) on re-measurements of defined benefit plans	8	63
Expense (benefit) on revaluation of cash flow hedges	112	(79)
Expense (benefit) on unrealized gain (loss) on debt instruments	-	(3)
	120	**(19)**

The reconciliation between the Group's provision for income tax and amount computed by applying the statutory income tax rate in India is as follows:

	Year ended	
	31 March 2024	**31 March 2023**
Profit before tax	20,967	19,488
Statutory tax rate in India	34.94%	34.94%
Expected tax expense	7,327	6,810
Tax effect of adjustments to reconcile expected tax expense to reported tax expense		
Non-taxable export income	(1,755)	(1,791)
Non-taxable other income	-	(37)
Provision (reversal) due to change in tax position and impact of prior period provision	(41)	7
Differences between Indian and foreign tax rates	(533)	(416)
Others (net)	259	70
Total taxes	**5,257**	**4,643**
Effective income tax rate	**25.07%**	**23.82%**

In India, the company has benefited from certain tax incentives that the Government of India has provided for the units situated in Special Economic Zones (SEZs) under the Special Economic Zone Act, 2005, which began providing services on or after 1 April 2005. The eligible units are eligible for a deduction of 100% of profits or gains derived from the export of services for the first five years from the year of commencement of operations and 50% of such profits and gains for the next five years. Certain tax benefits are also available for a further period of five years subject to meeting reinvestment conditions. The aforesaid tax benefits will not be available to units having commenced the operations after 31 March 2021.

The Company and its subsidiaries in India are subject to Minimum Alternate Tax (MAT) on its book profits if normal tax liability is lower than MAT, which gives rise to future economic benefits in the form of adjustment of future income tax liability. MAT paid for a year can be set-off against the normal tax liability within fifteen subsequent years, expiring between the years 2025 to 2039.

In India, Corporate taxpayers can opt for a specified lower tax rate in lieu of current applicable tax rate subject to taxpayers not claiming any specified tax incentives including tax incentives available to special economic zone units and carryover of unutilized MAT credit ('new tax regime'). The Company will opt for new tax regime in the year new tax regime is beneficial to the Company.

The tax returns are subject to examination by the tax authorities in the jurisdictions where the Group conducts business. The Group's two major tax jurisdictions are India and USA. Tax examination is open in USA for tax years beginning 1 April 2017 onwards and for India, regular tax examination is open for tax years beginning 1 April 2022 and certain matters relating to prior years for which the tax assessment has already got concluded are subject to ongoing litigations, appeals and reassessment proceedings. The Company has significant inter-company transactions with certain subsidiaries in USA and UK. The Company has also filed for bilateral advance pricing agreements in certain jurisdictions starting from 1 April 2017 for which the resolutions are yet to be reached. These may result in assessment of additional taxes that may need to be resolved with the authorities or through legal proceedings. Resolution of these matters involves some degree of uncertainty; accordingly, the Group recognizes income tax liability that it believes will ultimately result from the proceedings.

Components of deferred tax assets and liabilities as on 31 March 2024

	Opening balance	Recognized in profit and loss	Recognized in / reclassified from OCI	Acquisitions	Recognized directly in equity against tax liability	Exchange difference	Closing balance
Deferred tax assets							
Business losses	59	(7)	-	-	-	-	52
MAT credit entitlement	2,096	(981)	-	-	-	-	1,115
Provision for doubtful debts	132	(4)	-	-	-	(1)	127
Accrued employee costs	1,034	73	(8)	-	-	4	1,103
Property, plant and equipment	31	1	-	-	-	1	33
Lease liabilities	491	99	-	-	-	(2)	588
Employee stock compensation	81	43	-	-	69	2	195
Others	463	56	-	-	-	(2)	517
Gross deferred tax assets (A)	**4,387**	**(720)**	**(8)**	**-**	**69**	**2**	**3,730**
Deferred tax liabilities							
Property, plant and equipment	178	(80)	-	-	-	-	98
Unrealized gain on derivative financial instruments	17	-	112	-	-	1	130
Intangibles and goodwill	2,465	(167)	-	147	-	1	2,446
Right-of-use assets	428	144	-	-	-	2	574
Others	208	14	-	-	-	-	222
Gross deferred tax liabilities (B)	**3,296**	**(89)**	**112**	**147**	**-**	**4**	**3,470**
Net deferred tax assets (A-B)	**1,091**	**(631)**	**(120)**	**(147)**	**69**	**(2)**	**260**

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

	Opening balance	Recognized in profit and loss	Recognized in / reclassified from OCI	Acquisitions	Recognized directly in equity against tax liability	Exchange difference	Closing balance
Deferred tax assets							
Business losses	56	-	-	-	-	3	59
MAT credit entitlement	2,369	(273)	-	-	-	-	2,096
Provision for doubtful debts	124	5	-	-	-	3	132
Accrued employee costs	967	98	(63)	-	-	32	1,034
Property, plant and equipment	21	10	-	-	-	-	31
Lease liabilities	509	(37)	-	-	-	19	491
Employee stock compensation	15	60	-	-	5	1	81
Others	371	78	-	-	-	14	463
Gross deferred tax assets (A)	**4,432**	**(59)**	**(63)**	**-**	**5**	**72**	**4,387**
Deferred tax liabilities							
Property, plant and equipment	187	(14)	-	-	-	5	178
Unrealized gain on derivative financial instruments	96	-	(79)	-	-	-	17
Intangibles and goodwill	2,473	(63)	-	40	-	15	2,465
Right-of-use assets	443	(32)	-	-	-	17	428
Others	169	28	(3)	-	-	14	208
Gross deferred tax liabilities (B)	**3,368**	**(81)**	**(82)**	**40**	**-**	**51**	**3,296**
Net deferred tax assets (A-B)	**1,064**	**22**	**19**	**(40)**	**5**	**21**	**1,091**

The Company's subsidiaries have recognized deferred tax assets on carry forward business losses which can be utilized against profits within the limit and carryover period permitted under laws of respective jurisdictions. Deferred tax assets primarily related to carried forward losses and other temporary differences for certain subsidiaries amounting to ₹ 96 crores (31 March 2023, ₹ 111 crores) was not recognized as per applicable accounting standards. These tax losses can be carried forward for an indefinite period except for tax losses amounting to ₹ 42 crores (31 March 2023, ₹ 36 crores) which will expire by 31 March 2032 (previous year, 31 March 2031).

Above tables represent the gross deferred tax assets and liabilities. Amounts of deferred tax assets and liabilities presented in consolidated balance sheet have been offset, wherever the Group has legally enforceable right and it is related to same taxable authority.

Undistributed earnings of the subsidiaries aggregate approximately ₹ 25,185 crores (31 March 2023, ₹ 21,388 crores). The Group has the intent to reinvest the undistributed foreign earnings indefinitely in its significant overseas operations or repatriate only to the extent these can be distributed in a tax free manner. Consequently, the Company did not record a deferred tax liability on the undistributed earnings.

3.26 Components of other comprehensive income attributable to owners of the Company

		Year ended	
		31 March 2024	31 March 2023
A	**Items that will not be reclassified to statement of profit and loss**		
	Remeasurement of defined benefit plans		
	Opening balance (net of tax)	183	31
	Actuarial gains	32	215
	Income tax expense	(8)	(63)
	Closing balance (net of tax)	**207**	**183**
B	**Items that will be reclassified subsequently to statement of profit and loss**		
	Foreign currency translation reserve		
	Opening balance	4,731	3,190
	Foreign currency translation	414	1,541
	Closing balance	**5,145**	**4,731**
	Cash flow hedging reserve		
	Opening balance (net of tax)	79	466
	Unrealized gains (losses)	637	(381)
	Net gain reclassified into statement of profit and loss on occurrence of hedged transactions	(107)	(85)
	Income tax benefit (expense)	(112)	79
	Closing balance (net of tax)	**497**	**79**
	Unrealized gain on debt instruments		
	Opening balance (net of tax)	(1)	4
	Unrealized losses	(1)	(8)
	Income tax benefit	-	3
	Closing balance (net of tax)	**(2)**	**(1)**
	TOTAL (B)	**5,640**	**4,809**

3.27 Earnings per equity share (EPS)

The computation of earnings per equity share is as follows:

	Year ended	
	31 March 2024	31 March 2023
Profit for the year attributable to owners of the Company	15,702	14,851
Weighted average number of equity shares outstanding in calculating basic EPS	2,707,840,239	2,707,383,472
Dilutive effect of Restricted Stock Units outstanding	6,025,296	3,315,727
Weighted average number of equity shares outstanding in calculating diluted EPS	2,713,865,535	2,710,699,199
Nominal value of equity shares (in ₹)	2	2
Earnings per equity share (in ₹)		
- Basic	57.99	54.85
- Diluted	57.86	54.79

3.28 Leases

(a) Group as a lessee

The Group's significant leasing arrangements are in respect of leases for office spaces, leasehold land and IT equipments.

The details of the right-of-use assets held by the Group is as follows:

	Leasehold land	Buildings	Computers and networking equipment	Total
Balance as at 1 April 2022	**337**	**1,760**	**208**	**2,305**
Depreciation	(4)	(611)	(97)	(712)
Additions	2	526	297	825
Acquired through business combinations	-	22	-	22
Derecognition	(9)	(151)	(16)	(176)
Translation exchange differences	-	57	16	73
Balance as at 31 March 2023	**326**	**1,603**	**408**	**2,337**
Balance as at 1 April 2023	**326**	**1,603**	**408**	**2,337**
Depreciation	(5)	(647)	(190)	(842)
Additions	-	963	337	1,300
Acquired through business combinations	-	191	-	191
Derecognition	-	(45)	(46)	(91)
Translation exchange differences	-	15	-	15
Balance as at 31 March 2024	**321**	**2,080**	**509**	**2,910**

The reconciliation of lease liabilities is as follows:

	Year ended	
	31 March 2024	31 March 2023
Balance as at beginning of the year	2,535	2,358
Additions	1,729	1,075
Amounts recognized in statement of profit and loss as interest expense	153	103
Payment of lease liabilities	(1,148)	(927)
Acquired through business combinations	191	22
Derecognition	(50)	(166)
Translation exchange differences	19	70
Balance as at end of the year	**3,429**	**2,535**

The lease rental expense relating to short-term leases recognized in the statement of profit and loss for the year amounted to ₹ 68 crores (previous year, ₹ 67 crores).

The following table presents a maturity analysis of expected undiscounted cash flows for lease liabilities:

	As at	
	31 March 2024	31 March 2023
Within one year	1,254	969
One to two years	925	715
Two to three years	690	479
Three to five years	720	519
Thereafter	294	96
Total lease payments	**3,883**	**2,778**
Imputed interest	(454)	(243)
Total lease liabilities	**3,429**	**2,535**

Certain lease agreements include options to terminate or extend the leases. The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Lease liability excludes extension options, as Group can replace these assets without significant cost or business disruption. As at 31 March 2024, undiscounted potential future cash outflows of ₹ 1,451 crores (31 March 2023, ₹ 1,191 crores) have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

(b) Group as a lessor

The Group has given IT equipments to its customers on a finance lease basis. The future lease receivables in respect of assets given on finance lease are as follows:

	Total minimum lease payments receivable	Interest included in minimum lease payments receivable	Present value of minimum lease payments receivable
As at 31 March 2024			
Not later than one year	521	29	492
Later than one year and not later than 5 years	546	34	512
	1,067	**63**	**1,004**
As at 31 March 2023			
Not later than one year	614	44	570
Later than one year and not later than 5 years	730	48	682
	1,344	**92**	**1,252**

3.29 Financial instruments

(a) Derivatives

The Group is exposed to foreign currency fluctuations on assets / liabilities and forecasted cash flows denominated in foreign currency. The use of derivatives to hedge the risk 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 Group determines hedge ratio based on prevailing market conditions, availability and liquidity of hedging instruments, and hedge ineffectiveness. The counterparties in these derivative instruments are banks and the Group considers the risks of non-performance by the counterparties as insignificant. The Group has entered into a series of foreign exchange forward contracts and options that are designated as cash flow hedges and the related forecasted transactions extend through March 2029. The Group does not use these derivative instruments for speculative purposes.

The following table presents the aggregate notional principal amounts of the outstanding derivative instruments which have been designated as cash flow hedges:

Foreign exchange forward denominated in	Notional Currency	Notional principal amounts (amount in millions)	Balance sheet exposure Asset (Liability) (₹)
As at 31 March 2024			
Forward contracts (sell covers)			
USD / INR	USD	2,406	299
GBP / INR	GBP	121	12
EUR / INR	EUR	228	83
CHF / INR	CHF	53	15
SEK / INR	SEK	1,105	62
AUD / INR	AUD	59	38
NOK / INR	NOK	165	9
CAD / INR	CAD	33	10
JPY / INR	JPY	5,962	77
SGD / INR	SGD	59	13
Range Forward (Sell covers)			
USD / INR	USD	243	8
GBP / INR	GBP	30	2
EUR / INR	EUR	60	14
			642

Foreign exchange forward denominated in	Notional Currency	Notional principal amounts (amount in millions)	Balance sheet exposure Asset (Liability) (₹)
As at 31 March 2023			
Forward contracts (sell covers)			
USD / INR	USD	1,622	(77)
GBP / INR	GBP	90	19
EUR / INR	EUR	170	52
CHF / INR	CHF	55	1
SEK / INR	SEK	330	44
AUD / INR	AUD	96	30
NOK / INR	NOK	60	6
CAD / INR	CAD	26	6
JPY / INR	JPY	6,655	14
Range Forward (Sell covers)			
USD / INR	USD	599	26
GBP / INR	GBP	7	-
EUR / INR	EUR	6	-
			121

The Group has entered into derivative instruments not designated as hedging relationship by way of foreign exchange forwards, currency options and futures contracts. As at 31 March 2024 and 2023, the notional principal amount of outstanding contracts aggregated to ₹ 7,326 crores and ₹ 8,981 crores, respectively and the respective balance sheet exposure of these contracts have a net loss of ₹ (10) crores a net gain and ₹ 26 crores.

The notional amount is a key element of derivative financial instrument agreements. However, notional amounts do not represent the amount exchanged by counterparties and do not measure the Group's exposure to credit risk as these contracts are settled at their fair values at the maturity date.

The balance sheet exposure denotes the fair values of these contracts at the reporting date and is presented in ₹ crores. The Group presents its foreign exchange derivative instruments on a net basis in the consolidated financial statements due to the right of offset by its individual counterparties under master netting agreements.

The fair value of the derivative instruments presented on a gross basis as at each date indicated below is as follows:

	As at 31 March 2024				
	Financial assets		Financial liabilities		Total fair value
	Current	Non current	Current	Non current	
Derivatives designated as hedging instruments					
Foreign exchange contracts in an asset position	214	449	10	11	684
Foreign exchange contracts in a liability position	(10)	(11)	(10)	(11)	(42)
Net asset (liability)	204	438	-	-	642
Derivatives not designated as hedging instruments					
Foreign exchange contracts in an asset position	14	-	13	-	27
Foreign exchange contracts in a liability position	(13)	-	(24)	-	(37)
Net asset (liability)	1	-	(11)	-	(10)
Total Derivatives at fair value	**205**	**438**	**(11)**	**-**	**632**

	As at 31 March 2023				
	Financial assets		Financial liabilities		Total fair value
	Current	Non current	Current	Non current	
Derivatives designated as hedging instruments					
Foreign exchange contracts in an asset position	160	117	81	54	412
Foreign exchange contracts in a liability position	(81)	(54)	(87)	(69)	(291)
Net asset (liability)	79	63	(6)	(15)	121
Derivatives not designated as hedging instruments					
Foreign exchange contracts in an asset position	65	-	31	-	96
Foreign exchange contracts in a liability position	(31)	-	(39)	-	(70)
Net asset (liability)	34	-	(8)	-	26
Total Derivatives at fair value	**113**	**63**	**(14)**	**(15)**	**147**

The following tables set forth the fair value of derivative instruments included in the consolidated balance sheets as at each date indicated:

	As at	
	31 March 2024	31 March 2023
Derivatives designated as hedging instruments		
Unrealized gain on financial instruments classified under current financial assets	204	79
Unrealized gain on financial instruments classified under non-current financial assets	438	63
Unrealized loss on financial instruments classified under current financial liabilities	-	(6)
Unrealized loss on financial instruments classified under non-current financial liabilities	-	(15)
	642	**121**
Derivatives not designated as hedging instruments		
Unrealized gain on financial instruments classified under current financial assets	1	34
Unrealized loss on financial instruments classified under current financial liabilities	(11)	(8)
	(10)	**26**

Maturity profile of derivative liabilities based on contractual payments is as below:

	As at	
	31 March 2024	31 March 2023
Within one year	11	14
One to two years	-	8
Two to three years	-	4
Three to five years	-	3
	11	**29**

The following table summarizes the activities in the consolidated statement of profit and loss and other comprehensive income:

	Year ended	
	31 March 2024	**31 March 2023**
Derivatives in hedging relationships		
Effective portion of gain or (loss) recognized in OCI on derivatives	637	(381)
Effective portion of gain reclassified from OCI into statement of profit and loss as "exchange differences"	107	85
Derivatives not in hedging relationships		
Gain or (loss) recognized into statement of profit and loss as "exchange differences"	10	(267)

The following table summarizes the activity in the accumulated 'Other comprehensive income' within equity related to all derivatives classified as cash flow hedges:

	Year ended	
	31 March 2024	**31 March 2023**
Gain as at the beginning of the year	96	562
Unrealized gain (loss) on cash flow hedging derivatives during the year	637	(381)
Net gain reclassified into statement of profit and loss on occurrence of hedged transactions	(107)	(85)
Gain as at the end of the year	**626**	**96**
Deferred tax liability	(129)	(17)
Cash flow hedging reserve (net of tax)	**497**	**79**

The estimated net amount of existing gain that is expected to be reclassified into the statement of profit and loss within the next twelve months is ₹ 190 crores (previous year, ₹ 48 crores).

(b) Financial assets and liabilities

The carrying value of financial instruments by categories as at 31 March 2024 is as follows:

	Fair value through profit and loss	**Fair value through other comprehensive income**	**Amortized cost**	**Total carrying value**
Financial assets				
Investments	3,646	3,491	-	7,137
Trade receivables (including unbilled)	-	-	26,145	26,145
Cash and cash equivalents	-	-	9,456	9,456
Other bank balances	-	-	10,694	10,694
Loans	-	-	1,081	1,081
Others	1	642	1,938	2,581
Total	**3,647**	**4,133**	**49,314**	**57,094**
Financial liabilities				
Borrowings	-	-	2,327	2,327
Lease liabilities	-	-	3,429	3,429
Trade payables (including unbilled and accruals)	-	-	5,853	5,853
Others	121	-	6,300	6,421
Total	**121**	**-**	**17,909**	**18,030**

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

	Fair value through profit and loss	Fair value through other comprehensive income	Amortized cost	Total carrying value
Financial assets				
Investments	1,894	3,601	-	5,495
Trade receivables (including unbilled)	-	-	26,187	26,187
Cash and cash equivalents	-	-	9,065	9,065
Other bank balances	-	-	5,659	5,659
Loans	-	-	2,603	2,603
Others	34	142	2,223	2,399
Total	**1,928**	**3,743**	**45,737**	**51,408**
Financial liabilities				
Borrowings	-	-	2,251	2,251
Lease liabilities	-	-	2,535	2,535
Trade payables (including unbilled and accruals)	-	-	6,428	6,428
Others	149	21	5,546	5,716
Total	**149**	**21**	**16,760**	**16,930**

Transfer of financial assets

The Group in the normal course of business sells certain trade receivables and net investment in finance lease receivables to banks. Under the terms of arrangements, the Group surrenders control over these assets and transfer is on a non-recourse basis.

During the year ended 31 March 2024 and 2023, the Group has sold certain trade receivables and finance lease receivables on non-recourse basis. Gains or losses on the sales are recorded at the time of transfers of these receivables and are immaterial.

Fair value hierarchy

The assets and liabilities measured at fair value on a recurring basis as at 31 March 2024 and the basis for that measurement is as below:

	Fair Value	Level 1 inputs	Level 2 inputs	Level 3 inputs
Assets				
Investments carried at fair value through profit and loss	3,646	3,552	-	94
Investments carried at fair value through other comprehensive income	3,491	-	3,491	-
Unrealized gain on derivative financial instruments	643	-	643	-
Liabilities				
Unrealized loss on derivative financial instruments	11	-	11	-
Contingent consideration	50	-	-	50
Other financial liability	60	-	-	60

The following table discloses the assets and liabilities measured at fair value on a recurring basis as at 31 March 2023 and the basis for that measurement:

	Fair Value	Level 1 inputs	Level 2 inputs	Level 3 inputs
Assets				
Investments carried at fair value through profit and loss	1,894	1,784	-	110
Investments carried at fair value through other comprehensive income	3,601	-	3,601	-
Unrealized gain on derivative financial instruments	176	-	176	-
Liabilities				
Unrealized loss on derivative financial instruments	29	-	29	-
Contingent consideration	47	-	-	47
Other financial liability	94	-	-	94

There have been no transfers between Level 1 and Level 2 during the current and previous year.

Valuation Methodologies

Investments: The Group's investments consist of investment in debt linked mutual funds which are determined using quoted prices or identical quoted prices of assets or liabilities in active markets and are classified as Level 1. Fair value of corporate debt securities is determined using observable markets' inputs and is classified as Level 2.

Investments in unquoted equity shares and limited liability partnerships are classified as fair value through profit and loss and are classified as Level 3. The re-measurement is calculated using unobservable inputs based on the Group's own assessment of third party valuations and respective company's financial performance.

Derivative financial instruments: The Group's derivative financial instruments consist of foreign currency forward exchange contracts and options. Fair values for derivative financial instruments are based on counter party quotations and are classified as Level 2.

Fair value of contingent consideration: The fair value measurement of contingent consideration is determined using Level 3 inputs. The Group contingent consideration represents a component of the total purchase consideration for its various acquisitions. The measurement is calculated using unobservable inputs based on the Group's own assessment of achievement of certain performance goals.

Fair value of consideration payable for "other financial liabilities" is determined using Monte Carlo and Geometric Brownian model. The fair value measurement is determined using Level 3 Inputs.

The Group assessed that fair value of cash and cash equivalent, loans, short-term deposits, trade receivables, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following table discloses reconciliation of financial assets and liabilities categorised within Level 3 of the fair value hierarchy:

	Investment in unquoted equity shares and limited liability partnerships	Contingent consideration	Other financial liabilities
Balance as at 1 April 2022	**103**	**-**	**-**
Recognized in statement of profit and loss	(4)	1	29
Acquired through business combinations	-	70	-
Change in non-controlling interest (refer note below)	-	-	72
Additional investments	3	-	-
Distribution from limited liability partnership	(1)	-	-
Payment of liability	-	(27)	-
Exchange differences	-	-	(5)
Translation exchange differences	9	3	(2)
Balance as at 31 March 2023	**110**	**47**	**94**
Balance as at 1 April 2023	**110**	**47**	**94**
Recognized in statement of profit and loss	(14)	1	(28)
Additional investments	8	-	-
Proceeds from sale of equity instruments	(12)	-	-
Payment of liability	-	-	(2)
Exchange differences	-	-	(2)
Translation exchange differences	2	2	(2)
Balance as at 31 March 2024	**94**	**50**	**60**

Note: During the year ended 31 March 2020, the Group had set-up certain trusts in South Africa for the benefit of black nationals and had given 51.8% effective ownership in its South African operating entity to the trusts. Subsequently, during the previous year ended 31 March 2023 pursuant to certain additional rights given to these trusts, the fair value of the Group's liability to the trusts was reclassified from 'non-controlling interest' to 'other financial liabilities'. Further, the remaining earnings allocated to these trusts in prior periods and included in 'non-controlling interest' was reclassified to 'retained earnings'.

(c) Financial risk management

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

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

Market risk

Market risk is the risk that the fair value or 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 Group is primarily exposed to fluctuation in foreign currency exchange rates.

(i) 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 Group's exposure to the risk of changes in exchange rates relates primarily to the Group's operations in foreign subsidiaries.

The exchange rate risk primarily arises from assets and liabilities denominated in currencies other than the functional currency of the respective entities and foreign currency forecasted revenue and cash flows. A significant portion of the Group revenue is in US Dollar, Pound Sterling (GBP) and Euro while a large portion of costs are in Indian rupees. The fluctuation in exchange rates in respect to India rupee may have potential impact on the statement of profit and loss and other comprehensive income and equity.

To mitigate the foreign currency risk the Group uses derivatives as 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.

Appreciation / depreciation of 5% in respective foreign currencies with respect to functional currency of the Company and its subsidiaries would result in increase / decrease in the Group's profit before tax by approximately ₹574 crores (31 March 2023, ₹ 495 crores) for the year ended 31 March 2024.

The rate sensitivity is calculated by aggregation of the net foreign exchange exposure and a simultaneous parallel foreign exchange rates shift of all the currencies by 5% against the respective functional currencies of the Company and its subsidiaries. The sensitivity analysis presented above may not be representative of the actual change.

Non-derivative foreign currency exposure as of 31 March 2024 and 31 March 2023 in major currencies is as below:

	Financial assets		Financial liabilities	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
USD / INR	7,248	7,514	893	1,574
GBP / INR	664	856	61	73
EUR / INR	1,269	1,306	146	176

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates arises on borrowings with floating interest rate which is not material.

Credit risk

Financial instruments that potentially subject the Group to concentration of credit risk consist principally of cash and bank balances, inter-corporate deposits, trade receivables, finance lease receivables, investment securities and derivative instruments. The cash resources of the Group are invested with mutual funds, banks, financial institutions and corporations 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 Group are primarily corporations based in the United States of America and Europe and accordingly, trade receivables, unbilled receivables and finance lease receivables are concentrated in the respective countries. The Group 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, contract assets and finance lease receivables. No single customer accounted for more than 10% of trade receivables, unbilled receivables and finance lease receivables. The Group also outsourced selected client related credit risks to financial markets through "Non-recourse assignment" of receivables.

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

	Year ended	
	31 March 2024	31 March 2023
Balance at the beginning of the year	466	447
Additional provision during the year	294	191
Deductions on account of write offs and collections	(254)	(201)
Translation exchange differences	16	29
Balance at the end of the year	**522**	**466**

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its obligations associated with financial liabilities. The investment philosophy of the Group is capital preservation and liquidity in preference to returns. The Group 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 Group'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 March 2024					
Borrowings	124	2,194	39	37	2,394
Lease liabilities	1,254	925	690	1,014	3,883
Trade payables (including unbilled and accruals)	5,853	-	-	-	5,853
Derivative financial liabilities	11	-	-	-	11
Others	5,678	353	256	174	6,461
Total	**12,920**	**3,472**	**985**	**1,225**	**18,602**
As at 31 March 2023					
Borrowings	178	58	2,116	11	2,363
Lease liabilities	969	715	479	615	2,778
Trade payables (including unbilled and accruals)	6,428	-	-	-	6,428
Derivative financial liabilities	14	8	4	3	29
Others	5,193	179	138	196	5,706
Total	**12,782**	**960**	**2,737**	**825**	**17,304**

Offsetting of financial instruments

Under cash pooling arrangements with banks outside India, the contractual terms of arrangements preclude individual bank accounts within the arrangement from being considered separate units of account. Accordingly, the balances of all such bank accounts subject to the arrangements are presented on net basis. The impact of such netting on bank balances and bank overdraft is ₹ 63 crores (31 March 2023, ₹ 378 crores).

3.30 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available and whose results are reviewed regularly by the chief operating decision maker (CODM), for allocation of resources and assessing performance.

The group has organized itself into the following segments:

IT and Business Services provide a comprehensive portfolio of IT & Business Services (Application, Infrastructure and Digital Process Operations) and Digital transformation services enabled by Digital and Analytics, IoTWoRKs, Cloud native and Cybersecurity solutions including products developed within these businesses.

Engineering and R&D Services provides comprehensive engineering services and solutions across software, embedded, mechanical, VLSI and platform engineering that support the end to end lifecycle of products – both hardware and software across diverse industries including products developed within this business.

HCL Software provides modernized software products and IP-led offerings to our global clients for their technology and industry specific requirements.

Segment accounting policies

The accounting principles used in the preparation of the consolidated financial statements are consistently applied to record revenue and expenditure in individual segments and are as set out in note 1 to the consolidated financial statements on material 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 and wherever allocable, are apportioned to the segment on an appropriate basis. Segment revenue does not include other income. Unallocable expenses are are not allocable to any segment and primarily include finance cost and exchange differences. Inter segment revenue primarily relates to software and related services sourced internally from HCL Software segment by other segments for providing services to end customers.

(b) Segment assets and liabilities

Assets and liabilities are not identified to any reportable segments, since these are 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.

Financial information about the business segments is as follows:

	Year ended	
	31 March 2024	**31 March 2023**
Revenue from operations from external customers		
IT and Business Services	81,148	74,015
Engineering and R&D services	17,581	16,802
HCL Software	11,184	10,639
Total	**1,09,913**	**1,01,456**
Inter-segment revenue		
IT and Business Services	-	-
Engineering and R&D services	-	-
HCL Software	508	470
Total	**508**	**470**
Segment revenues		
IT and Business Services	81,148	74,015
Engineering and R&D services	17,581	16,802
HCL Software	11,692	11,109
Inter-segment elimination	(508)	(470)
Total	**1,09,913**	**1,01,456**
Segment results		
IT and Business Services	13,756	12,303
Engineering and R&D services	3,388	3,389
HCL Software	2,883	2,791
Total	**20,027**	**18,483**
Unallocable expenses	(555)	(262)
Other income	1,495	1,267
Profit before tax	**20,967**	**19,488**
Tax expense	(5,257)	(4,643)
Profit for the year	**15,710**	**14,845**
Significant non-cash items		
Depreciation and amortization expense		
IT and Business Services	1,977	1,932
Engineering and R&D services	536	454
HCL Software	1,660	1,759
Total	**4,173**	**4,145**

	Year ended	
	31 March 2024	31 March 2023
Share based payments to employees		
IT and Business Services	244	248
Engineering and R&D services	35	30
HCL Software	33	30
Total	**312**	**308**

Segment revenue from customers by geographic area based on location of the customer is as follows:

	Year ended	
	31 March 2024	31 March 2023
America	63,435	57,818
Europe	29,270	26,868
India *	3,815	3,935
Rest of the world	13,393	12,835
	109,913	**101,456**

* includes revenue billed to India based captive of global customers

No single customer represents 10% or more of the Group's total revenue for the years ended 31 March 2024 and 2023, respectively.

Group operates out of various geographies and America & Europe constitute major portion of revenue. In case of IT and Business Services and Engineering and R&D services approximately 58% and 57% of revenues are generated in America, Europe generates around 26% and 27% revenue and balance is generated by other geographies during year ended 31 March 2024 and 2023 respectively. Products & Platforms segment generates approximately 52% and 55% revenue from America, 28% and 25% from Europe and balance geographies generates rest of revenue during the year ended 31 March 2024 and 2023 respectively.

Geographical non-current assets (property, plant and equipment, capital work in progress, right-of-use assets, goodwill, other intangible assets and other non-current assets) are allocated based on the location of the assets.

Geographical non-current assets based on the location of the assets is as follows:

	As at	
	31 March 2024	31 March 2023
India	16,733	18,334
America	9,722	9,752
Europe	8,376	5,946
Rest of the world	2,234	2,480
	37,065	**36,512**

3.31 Employee benefits

The Group has calculated the various benefits provided to employees as shown below:

(A) Defined contribution plans

Superannuation Fund

Employer's contribution to Employee Pension Scheme

During the year, the Company and its subsidiaries in India have recognized the following amounts in the statement of profit and loss:

	Year ended	
	31 March 2024	31 March 2023
Superannuation Fund	14	13
Employer's contribution to Employee's Pension Scheme	177	173
Total	**191**	**186**

The Group has contributed ₹ 1,068 crores (previous year ₹ 946 crores) towards other defined contribution plans of subsidiaries outside India.

(B) Defined benefit plans

(a) Gratuity

(b) Pension

(c) Employer's contribution to provident fund

Gratuity

The following table sets out the status of the gratuity plan:

Statement of profit and loss

	Year ended	
	31 March 2024	**31 March 2023**
Current service cost	187	221
Interest cost (net)	51	50
Net benefit expense	**238**	**271**

Balance Sheet

	As at	
	31 March 2024	**31 March 2023**
Defined benefit obligations	983	845
Fair value of plan assets	16	16
Net plan liability	**967**	**829**
Current defined benefit obligations	189	184
Non-current defined benefit obligations	778	645

Changes in present value of the defined benefit obligations are as follows:

	Year ended	
	31 March 2024	**31 March 2023**
Opening defined benefit obligations	845	855
Current service cost	187	221
Interest cost	52	51
Re-measurement (gains) losses in OCI		
Actuarial changes arising from changes in demographic assumptions	(1)	(27)
Actuarial changes arising from changes in financial assumptions	(22)	(102)
Experience adjustments	(10)	(53)
Benefits paid	(68)	(100)
Closing defined benefit obligations	**983**	**845**

Changes in fair value of the plan assets are as follows:

	Year ended	
	31 March 2024	**31 March 2023**
Opening fair value of plan assets	16	18
Interest income	1	1
Contributions	63	104
Re-measurement gains (losses) in OCI	-	-
Benefits paid	(64)	(107)
Closing fair value of plan assets	**16**	**16**

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 shown below:

	As at	
	31 March 2024	31 March 2023
Discount rate	7.20%	7.40%
Estimated rate of salary increases	6.00%	6.50%
Expected rate of return on assets	7.20%	7.40%

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. Inherent risk exists for the Company that any adverse salary growth or demographic experience or inadequate returns on underlying plan assets can result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

Discount rate and future salary escalation rate are the key actuarial assumptions to which the defined benefit obligation are particularly sensitive. The following table summarizes the impact on defined benefit obligation as at 31 March 2024 arising due to increase / decrease in key actuarial assumptions by 50 basis points:

	Discount rate		Salary escalation rate	
	As at		As at	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Impact of increase	(24)	(22)	25	22
Impact of decrease	(25)	23	(24)	(21)

The sensitivity analysis presented may not be representative of the actual change in the defined benefit obligations as sensitivities have been calculated to show the movement in defined benefit obligations in isolation and assuming there are no other changes in market conditions. There have been no changes from the previous years in the methods and assumptions used in preparing the sensitivity analyses.

The defined benefit obligations are expected to mature after 31 March 2024 as follows:

Year ending 31 March,	Cash flows
- 2025	162
- 2026	191
- 2027	248
- 2028	267
- 2029	263
- Thereafter	2,902

The weighted average duration for the payment of these cash flows is 5.36 years.

Retirement benefit pension plans

The following table sets out the status of the plan :

Statement of profit and loss

	Year ended	
	31 March 2024	31 March 2023
Current service cost	3	1
Net benefit expense	**3**	**1**

Balance Sheet

	As at	
	31 March 2024	31 March 2023
Defined benefit obligations	128	120
Fair value of plan assets	-	-
Net plan liability	**128**	**120**
Current defined benefit obligations	9	3
Non-current defined benefit obligations	119	117

Changes in present value of the retirement benefit pension plans are as follows:

	Year ended	
	31 March 2024	**31 March 2023**
Opening defined benefit obligations	120	143
Current service cost	3	1
Interest cost	3	1
Re-measurement (gains) losses in OCI		
Actuarial changes arising from changes in demographic assumptions	1	-
Actuarial changes arising from changes in financial assumptions	-	(33)
Experience adjustments	-	-
Benefits paid	-	(2)
Translation exchange differences	1	10
Closing defined benefit obligations	**128**	**120**

The principal assumptions used in determining retirement benefit pension plans obligation are shown below:

	As at	
	31 March 2024	**31 March 2023**
Discount rate	3.33%	3.36%
Estimated rate of salary increases	2.50%	2.50%

The defined benefit obligations are expected to mature after 31 March 2024 as follows:

Year ending 31 March,	**Cash flows**
- 2025	6
- 2026	4
- 2027	7
- 2028	7
- 2029	9
- Upto 10 years	58

Employers Contribution to Provident Fund

The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India based on the assumption mentioned below.

The details of the fund and plan asset position are given below:-

	31 March 2024	**31 March 2023**
Fair value of plan assets at the year end	7,529	6,495
Present value of benefit obligation at year end	7,529	6,495
Net liability recognized in balance sheet	**-**	**-**

The amount of net liability as at 31 March 2024 has been recognized in the other comprehensive income.

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

	31 March 2024	**31 March 2023**
Government of India (GOI) bond yield	7.20%	7.40%
Remaining term of maturity	7.21 years	7.51 years
Expected guaranteed interest rate	8.25%	8.15%

During the year ended 31 March 2024, the Group has contributed ₹ 495 crores (previous year, ₹ 457 crores) towards employer's contribution to provident fund.

3.32 Related party transactions

(a) Related parties where control exists

List of subsidiaries as at 31 March 2024 and 31 March 2023 is as below:

S. No.	Name of the Subsidiaries	Country of Incorporation	Percentage holding as at	
			31 March 2024	31 March 2023
Direct subsidiaries				
1	HCL Comnet Systems & Services Limited	India	100%	100%
2	HCL Bermuda Limited	Bermuda	100%	100%
3	HCL Technologies (Shanghai) Limited	China	100%	100%
4	HCL Singapore Pte. Limited	Singapore	100%	100%
5	HCL Training & Staffing Services Private Limited	India	100%	100%
6	Geometric Americas, Inc.	USA	100%	100%
7	HCL Asia Pacific Pte. Ltd.	Singapore	100%	100%
8	Geometric Europe GmbH	Germany	100%	100%
9	Sankalp Semiconductor Private Limited	India	100%	100%
10	H C L Technologies Lanka (Private) Limited	Sri Lanka	100%	100%
11	HCL Technologies Jigani Limited	India	100%	100%
12	HCL Technologies Holding UK Limited ^	UK	100%	-
Step down subsidiaries of direct subsidiaries				
13	HCL Great Britain Limited	UK	100%	100%
14	HCL Australia Services Pty. Limited	Australia	100%	100%
15	HCL (New Zealand) Limited	New Zealand	100%	100%
16	HCL Hong Kong SAR Limited	Hong Kong	100%	100%
17	HCL Japan Limited	Japan	100%	100%
18	HCL America Inc.	USA	100%	100%
19	HCL Technologies Austria GmbH	Austria	100%	100%
20	HCL Software Products Limited	India	100%	100%
21	HCL Poland Sp.z.o.o	Poland	100%	100%
22	HCL EAS Limited	UK	100%	100%
23	HCL Insurance BPO Services Limited	UK	100%	100%
24	Axon Group Limited	UK	100%	100%
25	HCL Canada Inc.	Canada	100%	100%
26	HCL Technologies Solutions GmbH	Switzerland	100%	100%
27	Axon Solutions Limited	UK	100%	100%
28	HCL Technologies Malaysia Sdn. Bhd.	Malaysia	100%	100%
29	Axon Solutions (Shanghai) Co. Limited	China	100%	100%
30	HCL Technologies (Proprietary) Ltd %	South Africa	48.16%	48.16%
31	HCL Argentina s.a.	Argentina	100%	100%
32	HCL Technologies Mexico S. de R.L.	Mexico	100%	100%
33	HCL Technologies Romania s.r.l.	Romania	100%	100%
34	HCL Technologies Startschema Kft. (Formerly "HCL Hungary Kft")	Hungary	100%	100%
35	HCL Latin America Holding LLC	USA	100%	100%
36	HCL (Brazil) Tecnologia da Informacao LTDA (Formerly "HCL (Brazil) Technologia da informacao EIRELI")	Brazil	100%	100%
37	HCL Technologies Denmark Aps	Denmark	100%	100%

S. No.	Name of the Subsidiaries	Country of Incorporation	Percentage holding as at	
			31 March 2024	31 March 2023
38	HCL Technologies Norway AS	Norway	100%	100%
39	PT. HCL Technologies Indonesia Limited	Indonesia	100%	100%
40	HCL Technologies Philippines Inc.	Philippines	100%	100%
41	HCL Technologies South Africa (Proprietary) Limited %	South Africa	36.40%	36.40%
42	HCL Arabia LLC	Saudi Arabia	100%	100%
43	HCL Technologies France SAS	France	100%	100%
44	Filial Espanola De HCL Technologies S.L	Spain	100%	100%
45	Anzospan Investments Pty Limited %	South Africa	70%	70%
46	HCL Investments (UK) Limited	UK	100%	100%
47	Statestreet HCL Holding UK Limited **	UK	100%	100%
48	Statestreet HCL Services (Philippines) Inc. **	Philippines	100%	100%
49	Statestreet HCL Services (India) Private Limited **	India	100%	100%
50	HCL America Solutions Inc.	USA	100%	100%
51	HCL Technologies Chile Spa	Chile	100%	100%
52	HCL Technologies UK Limited	UK	100%	100%
53	HCL Technologies B.V.	Netherlands	100%	100%
54	HCL (Ireland) Information Systems Limited	Ireland	100%	100%
55	HCL Technologies Germany GmbH	Germany	100%	100%
56	HCL Technologies Belgium BV (Formerly "HCL Technologies Belgium BVBA")	Belgium	100%	100%
57	HCL Technologies Sweden AB	Sweden	100%	100%
58	HCL Technologies Finland Oy	Finland	100%	100%
59	HCL Technologies Italy S.P.A	Italy	100%	100%
60	HCL Technologies Columbia S.A.S	Columbia	100%	100%
61	HCL Technologies Middle East FZ-LLC	UAE	100%	100%
62	HCL Istanbul Bilisim Teknolojileri Limited Sirketi	Turkey	100%	100%
63	HCL Technologies Greece Single Member P.C	Greece	100%	100%
64	HCL Technologies S.A.	Venezuela	100%	100%
65	HCL Technologies Beijing Co., Ltd	China	100%	100%
66	HCL Technologies Luxembourg S.a r.l	Luxembourg	100%	100%
67	HCL Technologies Egypt Limited	Egypt	100%	100%
68	HCL Technologies Estonia OÜ	Estonia	100%	100%
69	HCL Technologies (Thailand) Ltd.	Thailand	100%	100%
70	HCL Technologies Czech Republic s.r.o.	Czech Republic	100%	100%
71	HCL Muscat Technologies L.L.C.	Oman	100%	100%
72	HCL Technologies Lithuania UAB	Lithuania	100%	100%
73	HCL Technologies (Taiwan) Ltd.	China	100%	100%
74	Geometric China, Inc.	China	100%	100%
75	Butler America Aerospace LLC	USA	100%	100%
76	HCL Lending Solutions, LLC (Formerly "Urban Fulfillment Services LLC")	USA	100%	100%
77	Datawave (An HCL Technologies Company) Limited	Scotland	100%	100%
78	HCL Technologies Corporate Services Limited	UK	100%	100%
79	C3i Support Services Private Limited	India	100%	100%
80	Telerx Marketing Inc. *	USA	-	100%

S. No.	Name of the Subsidiaries	Country of Incorporation	Percentage holding as at	
			31 March 2024	31 March 2023
81	C3i Europe Eood	Bulgaria	100%	100%
82	C3i Japan GK	Japan	100%	100%
83	C3i Services &Technologies (Dalian) Co., Ltd	China	100%	100%
84	Actian Corporation	USA	100%	100%
85	Actian Australia Pty. Ltd.	Australia	100%	100%
86	Actian Europe Limited	UK	100%	100%
87	Actian France SAS	France	100%	100%
88	Actian Germany GmbH	Germany	100%	100%
89	Actian International, Inc.	USA	100%	100%
90	Actian Technology Private Limited	India	100%	100%
91	Versant GmbH	Germany	100%	100%
92	Versant India Private Limited	India	100%	100%
93	HCL Technologies Vietnam Company Limited	Vietnam	100%	100%
94	HCL Guatemala, Sociedad Anonima	Guatemala	100%	100%
95	Sankguj Semiconductor Private Limited	India	100%	100%
96	Sankalp Semiconductor Inc.	Canada	100%	100%
97	Sankalp Semiconductor GmbH.	Germany	100%	100%
98	Sankalp Semiconductor SDN.BHD. !	Malaysia	-	100%
99	HCL Technologies Trinidad And Tobago Limited	Trinidad and Tobago	100%	100%
100	HCL Technologies Azerbaijan Limited Liability Company	Azerbaijan	100%	100%
101	HCL Technologies Bulgaria EOOD	Bulgaria	100%	100%
102	HCL Vietnam Company Limited (Formerly known as HCL Technologies (Vietnam) Company Limited)	Vietnam	100%	100%
103	HCL Technologies Angola (SU), LDA	Angola	100%	100%
104	DWS Pty Limited (Formely "DWS Limited")	Australia	100%	100%
105	DWS (New Zealand) Ltd	New Zealand	100%	100%
106	Phoenix IT & T Consulting Pty Ltd	Australia	100%	100%
107	Wallis Nominees (Computing) Pty Ltd	Australia	100%	100%
108	DWS (NSW) Pty Ltd	Australia	100%	100%
109	Symplicit Pty Ltd	Australia	100%	100%
110	Projects Assured Pty Ltd	Australia	100%	100%
111	DWS Product Solutions Pty Ltd	Australia	100%	100%
112	Graeme V Jones & Associates Pty Ltd	Australia	100%	100%
113	Strategic Data Management Pty Ltd	Australia	100%	100%
114	SDM Sales Pty Ltd	Australia	100%	100%
115	HCL Technologies S.A.C.	Peru	100%	100%
116	HCL Technologies Costa Rica Sociedad De Responsabilidad Limitada	Costa Rica	100%	100%
117	HCL Technologies gbs GmbH (Formerly "gbs-Gesellschaft für Banksysteme GmbH")	Germany	51%	51%
118	HCL Technologies Slovakia s. r. o.	Slovakia	100%	100%
119	HCL Technologies Bahrain W.L.L	Bahrain	100%	100%
120	HCL Technologies Morocco Limited	Morocco	100%	100%
121	Manzina Tech GmbH *	Switzerland	-	100%
122	Starschema Inc	USA	100%	100%
123	Confinale AG	Switzerland	100%	100%

S. No.	Name of the Subsidiaries	Country of Incorporation	Percentage holding as at	
			31 March 2024	31 March 2023
124	Brilliant Data LLC !	USA	-	100%
125	Confinale (Deutschland) GmbH	Germany	100%	100%
126	Confinale (UK) Limited	UK	100%	100%
127	Quest Informatics Private Limited	India	100%	100%
128	ASAP Holding GmbH #	Germany	100%	-
129	ASAP Engineering GmbH, Weissach #	Germany	100%	-
130	ASAP Engineering GmbH, Gaimersheim #	Germany	100%	-
131	ASAP Engineering GmbH, Russelsheim #	Germany	100%	-
132	ASAP Electronics GmbH #	Germany	100%	-
133	ASAP Engineering GmbH, Weyhausen #	Germany	100%	-
134	ASAP Engineering GmbH, Friedrichshafen #	Germany	100%	-
135	ASAP Quality Consulting GmbH #	Germany	100%	-
136	FIDUS Personal GmbH #	Germany	100%	-
137	Sigl Bordnetz Design GmbH #	Germany	100%	-
138	Dicturus Grundstücksverwaltungsgesellschaft mbH & Co. Vermie #	Germany	94%	-

^ Incorporated during the year.

Acquired during the year.

! Closed during the year.

* Merged during the year.

% The Group has majority composition of board of directors and management control.

** The Group has equity interest of 49% and 100% dividend rights and control.

Employee benefit trusts incorporated in India
Hindustan Instruments Limited Employees Provident Fund Trust
HCL Consulting Limited Employees Superannuation Scheme
HCL Comnet System and Services Limited Employees Provident Fund Trust
HCL Technologies Employees Group Gratuity Trust
HCL Technologies Stock Options Trust
C3i Support Services Employees Gratuity Trust
Sankalp Stock Trust (closed w.e.f 6th March 2023)
Sankalp Semiconductor Private Limited Employees Group Gratuity Trust

(b) Related parties with whom transactions have taken place

Key Management Personnel
Mr. C. Vijayakumar – Chief Executive Officer and Managing director
Mr. Prateek Aggarwal – Chief Financial Officer
Mr. Manish Anand – Company Secretary

Non-Executive & Independent Directors
Mr. R. Srinivasan
Ms. Robin Abrams
Dr. Sosale S. Sastry
Mr. S. Madhavan
Mr. Thomas Sieber
Ms. Nishi Vasudeva
Mr. Deepak Kapoor

Non-Executive & Independent Directors
Dr. Mohan Chellappa
Mr. Simon England
Ms. Vanitha Narayanan
Ms. Bhavani Balasubramanian (w.e.f. 12 January 2024)

Non-Executive & Non-Independent Directors
Ms. Roshni Nadar Malhotra, Chairperson
Mr. Shikhar Malhotra

Others (Significant influence)	
HCL Infosystems Limited	Mr. Shiv Nadar
HCL Avitas Private Limited	Ms. Kiran Nadar
Vama Sundari Investments (Delhi) Private Limited	HCL IT City Lucknow Private Limited
HCL Corporation Private Limited	HCL Infotech Limited
SSN Investments (Pondi) Private Limited	Shiv Nadar University
Naksha Enterprises Private Limited	HCL Holdings Private Limited
Kiran Nadar Musuem of Art*	Shiv Nadar Foundation*

* Public Charitable Trusts in which Mr. Shiv Nadar or his family members are managing trustees.

Transactions with related parties during the normal course of business	Significant influence	
	Year ended	
	31 March 2024	31 March 2023
Revenue from operations	23	1
Interest income	1	2
Employee benefit expense	82	67
Payment for use of facilities	1	-
Interim dividend	8,582	7,909
Sale of capital equipments	-	1
Depreciation charge on right-of-use assets	36	33
Interest expense on the lease liability	8	5
Other expenses	3	6

Material related party transactions	Year ended	
	31 March 2024	31 March 2023
Interim dividend paid		
Vama Sundari Investments (Delhi) Private Limited	6,232	5,729
HCL Holdings Private Limited	2,323	2,144

Transactions with Key Managerial personnel during the year (on accrual basis)	Year ended	
	31 March 2024	31 March 2023
Compensation		
- Short-term employee benefits	33	31
- Other long-term employee benefits	39	50
Interim dividend	3	2

Other long term employee benefits include expense of ₹ 33 crores (previous year, ₹ 41 crores) recorded by the Company on account of share-based payments.

Above does not include post-employment benefits based on actuarial valuation as this is done for the company as a whole.

Transactions with Directors during the year	Year ended	
	31 March 2024	31 March 2023
Commission & other benefits to Directors (includes sitting fees)	14	13

Outstanding balances	Significant influence	
	As at	
	31 March 2024	31 March 2023
Trade receivables, other financial assets and other assets	37	26
Trade payables and other financial liabilities	37	37
Employee and other payables	32	46
Right-of-use assets	146	65
Lease liabilities	144	67

All transactions entered by the Group with related parties are at arm's length and in ordinary course of business.

No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies incorporated in India ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

The Holding Company or any of such subsidiary companies incorporated in India have not received any funds from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies incorporated in India shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

3.33 Research and development expenditure

	Year ended	
	31 March 2024	31 March 2023
Amount charged to statement of profit and loss	1,651	1,632
	1,651	**1,632**

3.34 Commitments and contingent liabilities

		As at	
		31 March 2024	31 March 2023
(i)	**Capital and other commitments**		
	Capital commitments		
	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	325	228
	Uncalled liability on other investments partly paid		
	Capital commitment in limited liability partnership	2	3
(ii)	**Contingent liabilities**		
	Others	346	2
		673	**233**

Notes :

(a) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the final rules are yet to be notified. The Group will carry out an evaluation of the impact and record the same in the financial statements in the period in which the Code becomes effective and the related rules are notified.

(b) The Group is involved in various lawsuits, claims and proceedings that arise in the ordinary course of business, the outcome of which is inherently uncertain. Some of these matters include speculative and frivolous claims for substantial or indeterminate amounts of damages. The Group records a liability when it is both probable that a loss has been incurred and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount. The Group reviews these provisions at least quarterly and adjusts these provisions accordingly to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, and updated information. The Group believes that the amount or estimable range of reasonably possible loss, will not, either individually or in the aggregate, have a material adverse effect on its business, consolidated financial position, results of the Group, or cash flows with respect to loss contingencies for legal and other contingencies as at 31 March 2024.

(c) A wholly owned subsidiary ('WOS') of the Company, having a VSAT License, had received a demand from Department of Telecommunications (DoT) in February 2015 for FY 2011-12 and FY 2013-14 for an amount of ₹ 133 crores, including penalty, interest and interest on penalty. In July 2021, the WOS has received a revised demand for an amount of ₹ 346 crores after updating interest up to July 2021. Demand is primarily due to DoT including IT Services revenues and related exchange gains in Adjusted Gross Revenue (AGR). In March'22, the WOS received a favorable judgement from TDSAT setting aside the demand raised by DoT.

In August 2023, DoT has filed an appeal against the order passed by TDSAT in the Hon'ble Supreme Court. Appeal, including condonation of delay in filing the appeal, is yet to be admitted by Hon'ble Supreme Court. Subsequent to this appeal, the WOS has obtained a legal opinion and is of the view that it should be able to defend its position in the above matter.

3.35 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	Country of incorporation	Percentage holding as at 31 March 2024	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2024							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
Parent	HCL Technologies Limited	India	NA	44.37	30,294	74.00	11,582	99.07	439	74.69	12,021
Subsidiaries											
Indian											
1	HCL Comnet Systems & Services Limited	India	100%	0.01	5	(0.05)	(7)	-	-	(0.04)	(7)
2	Statestreet HCL Services (India) Private Limited *	India	100%	0.29	200	1.45	227	-	-	1.41	227
3	HCL Software Products Limited	India	100%	0.30	204	0.73	114	-	-	0.71	114
4	HCL Training & Staffing Services Private Limited	India	100%	0.04	30	(0.01)	(2)	-	-	(0.01)	(2)
5	C3i Support Services Private Limited	India	100%	0.10	71	0.07	11	-	-	0.07	11
6	Sankalp Semiconductor Private Limited	India	100%	0.25	174	0.11	18	-	-	0.11	18
7	Sankguj Semiconductor Private Limited	India	100%	-	-	-	-	-	-	-	-
8	Quest Informatics Private Limited	India	100%	0.07	50	0.03	4	-	-	0.02	4
9	HCL Technologies Jigani Limited	India	100%	-	-	-	-	-	-	-	-
Foreign											
10	HCL Bermuda Limited	Bermuda	100%	0.03	23	(0.23)	(36)	-	-	(0.22)	(36)
11	HCL Technologies (Shanghai) Limited	China	100%	0.37	251	0.16	25	-	-	0.16	25
12	HCL Singapore Pte. Limited	Singapore	100%	0.72	494	0.63	98	-	-	0.61	98
13	HCL Great Britain Limited	UK	100%	-	1	-	-	-	-	-	-
14	HCL Australia Services Pty. Limited	Australia	100%	0.33	228	0.55	87	-	-	0.54	87
15	HCL (New Zealand) Limited	New Zealand	100%	0.18	122	-	-	-	-	-	-
16	HCL Hong Kong SAR Limited	Hong Kong	100%	0.04	30	0.09	14	-	-	0.09	14
17	HCL Japan Limited	Japan	100%	0.45	307	0.30	47	-	-	0.29	47
18	HCL America Inc.	USA	100%	9.88	6,745	7.24	1,134	-	-	7.05	1,134

Notes to consolidated financial statements for the year ended 31 March 2024

(All amounts in crores of ₹, except share data and as stated otherwise)

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2024	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2024							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
19	HCL Technologies Austria GmbH	Austria	100%	(0.02)	(11)	0.02	3	-	-	0.02	3
20	HCL Poland Sp.z.o.o	Poland	100%	0.18	125	0.33	52	-	-	0.32	52
21	HCL EAS Limited	UK	100%	0.02	12	0.14	22	-	-	0.14	22
22	HCL Insurance BPO Services Limited	UK	100%	0.12	81	0.21	33	-	-	0.21	33
23	Axon Group Limited	UK	100%	(0.05)	(37)	0.03	5	-	-	0.03	5
24	HCL Canada Inc.	Canada	100%	0.62	422	0.98	153	-	-	0.95	153
25	HCL Technologies Solutions GmbH	Switzerland	100%	0.46	316	0.02	4	-	-	0.02	4
26	Axon Solutions Limited	UK	100%	0.02	10	0.10	16	-	-	0.10	16
27	HCL Technologies Malaysia Sdn. Bhd.	Malaysia	100%	0.10	67	0.12	18	-	-	0.11	18
28	Axon Solutions (Shanghai) Co. Limited	China	100%	0.99	673	0.31	49	-	-	0.30	49
29	HCL Technologies (Proprietary) Ltd	South Africa	48.16%	0.58	394	0.35	54	-	-	0.34	54
30	HCL Argentina s.a.	Argentina	100%	0.02	13	0.02	3	-	-	0.02	3
31	HCL Technologies Mexico S. de R.L.	Mexico	100%	0.36	244	0.36	56	-	-	0.35	56
32	HCL Technologies Romania s.r.l.	Romania	100%	0.10	70	0.25	39	-	-	0.24	39
33	HCL Technologies Startschema Kft. (Formerly "HCL Hungary Kft")	Hungary	100%	0.40	271	(0.08)	(13)	-	-	(0.08)	(13)
34	HCL Latin America Holding LLC	USA	100%	0.09	65	0.01	2	-	-	0.01	2
35	HCL (Brazil) Tecnologia da Informacao LTDA (Formerly "HCL (Brazil) Technologia da informacao EIRELI")	Brazil	100%	0.42	289	0.14	22	-	-	0.14	22
36	HCL Technologies Denmark Aps	Denmark	100%	0.49	337	0.27	42	-	-	0.26	42
37	HCL Technologies Norway AS	Norway	100%	0.30	204	0.24	37	-	-	0.23	37
38	PT. HCL Technologies Indonesia Limited	Indonesia	100%	0.06	38	0.02	3	-	-	0.02	3
39	HCL Technologies Philippines Inc.	Philippines	100%	0.18	124	0.23	36	0.95	4	0.25	40
40	HCL Technologies South Africa (Proprietary) Limited	South Africa	36.40%	0.01	9	0.01	1	-	-	0.01	1
41	HCL Arabia LLC	Saudi Arabia	100%	0.29	200	0.14	22	-	-	0.14	22
42	HCL Technologies France SAS	France	100%	0.44	303	0.31	48	-	-	0.30	48
43	Filial Espanola De HCL Technologies S.L	Spain	100%	0.16	109	0.11	17	-	-	0.11	17
44	Anzospan Investments Pty Limited	South Africa	70%	(0.05)	(34)	0.14	22	-	-	0.14	22
45	HCL Investments (UK) Limited	UK	100%	1.77	1,206	1.03	161	-	-	1.00	161
46	HCL America Solutions Inc.	USA	100%	(0.01)	(7)	0.56	87	-	-	0.54	87
47	HCL Technologies Chile Spa	Chile	100%	0.09	61	0.07	11	-	-	0.07	11
48	HCL Technologies UK Limited	UK	100%	4.33	2,957	0.51	80	-	-	0.50	80
49	Statestreet HCL Holding UK Limited *	UK	100%	-	-	(0.44)	(69)	-	-	(0.43)	(69)
50	Statestreet HCL Services (Philippines) Inc. *	Philippines	100%	0.04	30	0.02	3	-	-	0.02	3
51	HCL Technologies B.V.	Netherlands	100%	0.42	287	0.40	63	-	-	0.39	63

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2024	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2024							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
52	HCL (Ireland) Information Systems Limited	Ireland	100%	0.32	218	0.57	89	-	-	0.55	89
53	HCL Technologies Germany Gmbh	Germany	100%	1.01	692	1.05	165	(0.19)	(1)	1.02	164
54	HCL Technologies Belgium BV (Formerly "HCL Technologies Belgium BVBA")	Belgium	100%	0.38	260	0.12	18	-	-	0.11	18
55	HCL Technologies Sweden AB	Sweden	100%	2.00	1,363	1.36	213	-	-	1.32	213
56	HCL Technologies Finland Oy	Finland	100%	0.26	176	0.31	48	-	-	0.30	48
57	HCL Technologies Italy S.P.A	Italy	100%	0.02	10	0.23	37	-	-	0.23	37
58	HCL Technologies Columbia S.A.S	Columbia	100%	0.05	33	0.01	1	-	-	0.01	1
59	HCL Technologies Middle East FZ-LLC	UAE	100%	0.10	71	0.09	13	-	-	0.08	13
60	HCL Istanbul Bilisim Teknolojileri Limited Sirketi	Turkey	100%	0.06	38	0.05	8	-	-	0.05	8
61	HCL Technologies Greece Single Member P.C	Greece	100%	0.01	6	0.01	1	-	-	0.01	1
62	HCL Technologies S.A.	Venezuela	100%	-	1	-	-	-	-	-	-
63	HCL Technologies Beijing Co., Ltd	China	100%	0.03	23	0.01	2	-	-	0.01	2
64	HCL Technologies Luxembourg S.a r.l	Luxembourg	100%	0.01	5	0.01	1	-	-	0.01	1
65	HCL Technologies Egypt Limited	Egypt	100%	0.03	21	0.01	2	-	-	0.01	2
66	HCL Technologies Estonia OÜ	Estonia	100%	0.05	32	0.01	2	-	-	0.01	2
67	HCL Technologies (Thailand) Ltd.	Thailand	100%	0.07	46	0.04	7	-	-	0.04	7
68	HCL Technologies Czech Republic s.r.o.	Czech Republic	100%	0.06	39	0.21	33	-	-	0.21	33
69	HCL Muscat Technologies L.L.C.	Oman	100%	0.02	17	0.03	5	-	-	0.03	5
70	HCL Technologies Lithuania UAB	Lithuania	100%	0.06	38	0.02	4	-	-	0.02	4
71	HCL Technologies (Taiwan) Ltd.	China	100%	0.07	45	0.04	6	-	-	0.04	6
72	Geometric Americas, Inc.	USA	100%	0.43	292	0.09	14	-	-	0.09	14
73	HCL Asia Pacific Pte. Ltd.	Singapore	100%	0.06	41	0.01	1	-	-	0.01	1
74	Geometric Europe GmbH	Germany	100%	0.15	102	0.01	2	-	-	0.01	2
75	Geometric China, Inc.	China	100%	0.01	5	-	-	-	-	-	-
76	Butler America Aerospace LLC	USA	100%	1.04	711	0.13	20	-	-	0.12	20
77	HCL Lending Solutions, LLC (Formerly "Urban Fulfillment Services LLC")	USA	100%	0.07	45	(0.17)	(27)	-	-	(0.17)	(27)
78	Datawave (An HCL Technologies Company) Limited	Scotland	100%	0.04	26	-	-	-	-	-	-
79	HCL Technologies Corporate Services Limited	UK	100%	13.05	8,913	0.01	2	-	-	0.01	2
80	C3i Europe Eood	Bulgaria	100%	0.11	72	0.12	19	-	-	0.12	19
81	C3i Japan GK	Japan	100%	0.01	5	(0.04)	(6)	-	-	(0.04)	(6)
82	C3i Services &Technologies (Dalian) Co., Ltd	China	100%	0.06	40	0.02	4	-	-	0.02	4
83	Actian Corporation (and including its subsidiaries)	USA	100%	4.26	2,908	2.67	417	-	-	2.59	417

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2024	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2024							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
84	HCL Technologies Vietnam Company Limited	Vietnam	100%	0.02	16	-	1	-	-	0.01	1
85	HCL Guatemala, Sociedad Anonima	Guatemala	100%	0.07	50	0.26	41	-	-	0.25	41
86	Sankalp Semiconductor Inc.	Canada	100%	0.01	8	0.01	1	-	-	0.01	1
87	Sankalp Semiconductor GmbH.	Germany	100%	-	-	-	-	-	-	-	-
88	Sankalp Semiconductor SDN.BHD.	Malaysia	100%	-	-	-	-	-	-	-	-
89	H C L Technologies Lanka (Private) Limited	Sri Lanka	100%	0.14	98	1.06	166	0.17	1	1.04	167
90	HCL TECHNOLOGIES TRINIDAD AND TOBAGO LIMITED	Trinidad and Tobago	100%	0.01	9	-	-	-	-	-	-
91	HCL Technologies Azerbaijan Limited Liability Company	Azerbaijan	100%	-	-	-	-	-	-	-	-
92	HCL Technologies Bulgaria EOOD	Bulgaria	100%	(0.01)	(9)	0.08	12	-	-	0.07	12
93	HCL Vietnam Company Limited (Formerly known as HCL Technologies (Vietnam) Company Limited)	Vietnam	100%	0.02	14	(0.29)	(46)	-	-	(0.29)	(46)
94	HCL Technologies Angola (SU), LDA	Angola	100%	0.07	47	(0.01)	(1)	-	-	(0.01)	(1)
95	HCL Technologies S.A.C.	Peru	100%	0.01	5	-	1	-	-	0.01	1
96	DWS Pty Limited (Formely "DWS Limited")	Australia	100%	0.71	487	(0.27)	(43)	-	-	(0.27)	(43)
97	Wallis Nominees (Computing) Pty Ltd	Australia	100%	(0.02)	(14)	0.01	1	-	-	0.01	1
98	DWS (NSW) Pty Ltd	Australia	100%	0.06	37	(0.39)	(61)	-	-	(0.38)	(61)
99	Projects Assured Pty Ltd	Australia	100%	0.65	445	0.28	44	-	-	0.27	44
100	Symplicit Pty Ltd	Australia	100%	-	2	(0.11)	(17)	-	-	(0.11)	(17)
101	Phoenix IT & T Consulting Pty Ltd	Australia	100%	-	-	-	-	-	-	-	-
102	DWS Product Solutions Pty Ltd	Australia	100%	-	-	-	-	-	-	-	-
103	Graeme V Jones & Associates Pty Ltd	Australia	100%	-	-	-	-	-	-	-	-
104	SDM Sales Pty Ltd	Australia	100%	-	-	-	-	-	-	-	-
105	Strategic Data Management Pty Ltd	Australia	100%	-	-	-	-	-	-	-	-
106	DWS (New Zealand) Ltd	New Zealand	100%	-	2	(0.01)	(2)	-	-	(0.01)	(2)
107	HCL Technologies Costa Rica Sociedad De Responsabilidad Limitada	Costa Rica	100%	0.02	15	0.01	2	-	-	0.01	2
108	HCL Technologies gbs GmbH (Formerly "gbs-Gesellschaft für Banksysteme GmbH")	Germany	51%	0.04	27	0.05	8	-	-	0.05	8
109	HCL Technologies Slovakia s. r. o.	Slovakia	100%	-	(2)	-	1	-	-	0.01	1
110	HCL Technologies Bahrain W.L.L	Bahrain	100%	-	1	-	-	-	-	-	-
111	HCL Technologies Morocco Limited	Morocco	100%	0.02	15	-	-	-	-	-	-
112	Starschema Inc	USA	100%	0.10	66	0.01	2	-	-	0.01	2
113	Brilliant Data LLC	USA	100%	-	-	0.01	1	-	-	0.01	1
114	Confinale AG	Switzerland	100%	0.65	446	(0.14)	(22)	-	-	(0.14)	(22)
115	Confinale (Deutschland) GmbH	Germany	100%	0.02	12	0.03	5	-	-	0.03	5
116	Confinale (UK) Limited	UK	100%	0.01	4	0.02	3	-	-	0.02	3

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2024	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2024							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
117	ASAP Holding GmbH	Germany	100%	2.83	1,924	0.37	58	-	-	0.36	58
118	ASAP Engineering GmbH, Weissach	Germany	100%	0.02	16	0.01	1	-	-	0.01	1
119	ASAP Engineering GmbH, Gaimersheim	Germany	100%	0.11	78	(0.02)	(3)	-	-	(0.02)	(3)
120	ASAP Engineering GmbH, Russelsheim	Germany	100%	0.02	10	-	-	-	-	-	-
121	ASAP Electronics GmbH	Germany	100%	0.10	64	0.01	1	-	-	-	1
122	ASAP Engineering GmbH, Weyhausen	Germany	100%	0.02	14	(0.01)	(1)	-	-	(0.01)	(1)
123	ASAP Engineering GmbH, Friedrichshafen	Germany	100%	0.01	6	-	(1)	-	-	(0.01)	(1)
124	ASAP Quality Consulting GmbH	Germany	100%	-	3	-	-	-	-	-	-
125	FIDUS Personal GmbH	Germany	100%	-	1	-	-	-	-	-	-
126	Sigl Bordnetz Design GmbH	Germany	100%	0.01	7	-	-	-	-	-	-
127	Dicturus Grund stücksver waltungsgesells chaft mbH & Co. Vermie	Germany	100%	0.02	16	-	-	-	-	-	-
128	HCL Technologies Holding UK Limited	UK	100%	-	-	-	-	-	-	-	-
Total				100.00	68,271	100.00	15,651	100.00	443	100.00	16,094
Non controlling interest					(8)		(8)		-		(8)
Consolidation adjustments					-		59		412		471
Consolidated Net assets / Profit after tax					**68,263**		**15,702**		**855**		**16,557**

Note: Dividend received from subsidiaries has been excluded from profits.

* The Group has equity interest of 49% and 100% dividend rights and control.

3.35 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	Country of incorporation	Percentage holding as at 31 March 2023	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2023							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
Parent	HCL Technologies Limited	India	NA	48.50	31,720	75.94	11,375	116.67	(280)	75.27	11,095
Subsidiaries											
Indian											
1	HCL Comnet Systems & Services Limited	India	100%	0.02	12	0.01	1	-	-	0.01	1
2	Statestreet HCL Services (India) Private Limited *	India	100%	0.83	542	0.65	98	(1.26)	3	0.69	101
3	HCL Software Products Limited	India	100%	0.22	146	0.73	110	-	-	0.75	110
4	HCL Training & Staffing Services Private Limited	India	100%	0.08	51	(0.30)	(45)	-	-	(0.31)	(45)
5	C3i Support Services Private Limited	India	100%	0.10	63	0.06	8	-	-	0.05	8
6	Sankalp Semiconductor Private Limited	India	100%	0.28	186	0.16	24	-	-	0.16	24
7	Sankguj Semiconductor Private Limited	India	100%	0.00	0	0.00	0	-	-	-	-
8	Quest Informatics Private Limited	India	100%	0.07	45	0.02	4	-	-	0.03	4
9	HCL Technologies Jigani Limited	India	100%	0.00	0	(0.00)	(0)	-	-	-	-

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2023	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2023							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
Foreign											
10	HCL Bermuda Limited	Bermuda	100%	0.01	8	(0.00)	(2)	-	-	(0.01)	(2)
11	HCL Technologies (Shanghai) Limited	China	100%	0.36	236	0.15	22	-	-	0.15	22
12	HCL Singapore Pte. Limited	Singapore	100%	0.63	409	0.66	99	-	-	0.67	99
13	HCL Great Britain Limited	UK	100%	0.00	0	(0.01)	(3)	-	-	(0.02)	(3)
14	HCL Australia Services Pty. Limited	Australia	100%	0.48	314	0.40	60	-	-	0.41	60
15	HCL (New Zealand) Limited	New Zealand	100%	0.28	185	0.14	20	-	-	0.14	20
16	HCL Hong Kong SAR Limited	Hong Kong	100%	0.03	22	0.05	7	-	-	0.05	7
17	HCL Japan Limited	Japan	100%	0.54	355	0.21	32	-	-	0.22	32
18	HCL America Inc.	USA	100%	8.21	5,367	5.11	766	-	-	5.20	766
19	HCL Technologies Austria GmbH	Austria	100%	(0.01)	(6)	0.04	5	-	-	0.03	5
20	HCL Poland Sp.z.o.o	Poland	100%	0.03	19	0.26	39	-	-	0.26	39
21	HCL EAS Limited	UK	100%	0.02	12	0.12	18	-	-	0.12	18
22	HCL Insurance BPO Services Limited	UK	100%	0.07	47	0.12	18	-	-	0.12	18
23	Axon Group Limited	UK	100%	(0.07)	(47)	(0.32)	(48)	-	-	(0.33)	(48)
24	HCL Canada Inc.	Canada	100%	0.63	410	0.98	147	-	-	1.00	147
25	HCL Technologies Solutions GmbH	Switzerland	100%	0.35	228	0.03	4	-	-	0.03	4
26	Axon Solutions Pty. Limited	Australia	0%	0.00	0	-	-	-	-	-	-
27	Axon Solutions Limited	UK	100%	(0.02)	(14)	0.12	19	-	-	0.13	19
28	HCL Technologies Malaysia Sdn. Bhd.	Malaysia	100%	0.11	74	0.10	16	-	-	0.11	16
29	Axon Solutions (Shanghai) Co. Limited	China	100%	1.02	664	0.23	34	-	-	0.23	34
30	HCL Technologies (Proprietary) Ltd	South Africa	48.16%	0.62	408	0.40	60	-	-	0.41	60
31	HCL Argentina s.a.	Argentina	100%	0.02	14	(0.00)	(0)	-	-	-	-
32	HCL Technologies Mexico S. de R.L.	Mexico	100%	0.36	239	0.28	42	-	-	0.28	42
33	HCL Technologies Romania s.r.l.	Romania	100%	0.07	48	0.11	17	-	-	0.12	17
34	HCL Technologies Startschema Kft. (Formerly "HCL Hungary Kft")	Hungary	100%	0.47	306	(0.17)	(26)	-	-	(0.18)	(26)
35	HCL Latin America Holding LLC	USA	100%	0.05	31	0.00	(1)	-	-	(0.01)	(1)
36	HCL (Brazil) Tecnologia da Informacao LTDA (Formerlt "HCL (Brazil) Technologia da informacao EIRELI")	Brazil	100%	0.49	323	0.12	19	-	-	0.13	19
37	HCL Technologies Denmark Aps	Denmark	100%	0.47	304	0.27	41	-	-	0.28	41
38	HCL Technologies Norway AS	Norway	100%	0.18	115	0.31	46	-	-	0.31	46
39	PT. HCL Technologies Indonesia Limited	Indonesia	100%	0.05	32	0.04	6	-	-	0.04	6

Notes to consolidated financial statements for the year ended 31 March 2024

(All amounts in crores of ₹, except share data and as stated otherwise)

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2023	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2023							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
40	HCL Technologies Philippines Inc.	Philippines	100%	0.19	123	0.15	23	-	-	0.16	23
41	HCL Technologies South Africa (Proprietary) Limited	South Africa	36.40%	0.01	5	(0.00)	(0)	-	-	-	-
42	HCL Arabia LLC	Saudi Arabia	100%	0.15	95	0.01	2	-	-	0.01	2
43	HCL Technologies France SAS	France	100%	0.43	279	0.38	57	-	-	0.39	57
44	Filial Espanola De HCL Technologies S.L	Spain	100%	0.07	46	0.10	16	-	-	0.11	16
45	Anzospan Investments Pty Limited	South Africa	70%	(0.09)	(60)	0.07	11	-	-	0.07	11
46	HCL Investments (UK) Limited	UK	100%	0.96	626	0.13	19	-	-	0.13	19
47	HCL America Solutions Inc.	USA	100%	(0.12)	(81)	0.47	70	-	-	0.47	70
48	HCL Technologies Chile Spa	Chile	100%	0.09	60	0.05	8	-	-	0.05	8
49	HCL Technologies UK Limited	UK	100%	6.82	4,457	1.35	203	-	-	1.38	203
50	Statestreet HCL Holding UK Limited *	UK	100%	(0.00)	(0)	(0.00)	(0)	-	-	-	-
51	Statestreet HCL Services (Phillipines) Inc. *	Philippines	100%	0.04	27	(0.02)	(4)	-	-	(0.03)	(4)
52	HCL Technologies B.V.	Netherlands	100%	0.41	270	0.35	53	-	-	0.36	53
53	HCL (Ireland) Information Systems Limited	Ireland	100%	0.29	189	0.59	88	-	-	0.60	88
54	HCL Technologies Germany Gmbh	Germany	100%	0.46	299	0.99	149	(12.08)	29	1.21	178
55	HCL Technologies Belgium BV (Formerly "HCL Technologies Belgium BVBA")	Belgium	100%	0.65	424	0.17	25	-	-	0.17	25
56	HCL Technologies Sweden AB	Sweden	100%	2.26	1,481	1.52	228	-	-	1.55	228
57	HCL Technologies Finland Oy	Finland	100%	0.44	290	0.31	46	-	-	0.31	46
58	HCL Technologies Italy S.P.A	Italy	100%	(0.05)	(34)	0.18	27	-	-	0.18	27
59	HCL Technologies Columbia S.A.S	Columbia	100%	0.04	24	(0.01)	(3)	-	-	(0.02)	(3)
60	HCL Technologies Middle East FZ-LLC	UAE	100%	0.16	104	0.08	13	-	-	0.09	13
61	HCL Istanbul Bilisim Teknolojileri Limited Sirketi	Turkey	100%	0.03	22	0.01	2	-	-	0.01	2
62	HCL Technologies Greece Single Member P.C	Greece	100%	0.02	11	0.00	0	-	-	-	-
63	HCL Technologies S.A.	Venezuela	100%	0.00	1	(0.00)	(0)	-	-	-	-
64	HCL Technologies Beijing Co., Ltd	China	100%	0.02	14	0.03	5	-	-	0.03	5
65	HCL Technologies Luxembourg S.a r.l	Luxembourg	100%	0.01	5	0.01	1	-	-	0.01	1
66	HCL Technologies Egypt Limited	Egypt	100%	0.03	19	(0.00)	(0)	-	-	-	-
67	HCL Technologies Estonia OÜ	Estonia	100%	0.01	4	0.00	0	-	-	-	-
68	HCL Technologies (Thailand) Ltd.	Thailand	100%	0.07	44	0.05	7	-	-	0.05	7

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2023	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2023							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
69	HCL Technologies Czech Republic s.r.o.	Czech Republic	100%	0.15	95	0.16	24	-	-	0.16	24
70	HCL Muscat Technologies L.L.C.	Oman	100%	0.01	9	0.01	1	-	-	0.01	1
71	Point To Point Limited	UK	100%	0.06	42	-	-	-	-	-	-
72	Point To Point Products Limited	UK	100%	0.01	6	-	-	-	-	-	-
73	HCL Technologies Lithuania UAB	Lithuania	100%	0.02	15	0.03	5	-	-	0.03	5
74	HCL Technologies (Taiwan) Ltd.	China	100%	0.09	62	0.02	4	-	-	0.03	4
75	Geometric Americas, Inc.	USA	100%	0.40	260	0.02	3	-	-	0.02	3
76	HCL Asia Pacific Pte Ltd.	Singapore	100%	0.05	36	0.01	2	-	-	0.01	2
77	Geometric Europe GmbH	Germany	100%	0.14	92	0.02	3	-	-	0.02	3
78	Geometric China, Inc.	China	100%	0.01	5	0.00	(1)	-	-	(0.01)	(1)
79	Butler America Aerospace LLC	USA	100%	0.96	627	(0.01)	(3)	-	-	(0.02)	(3)
80	HCL Lending Solutions, LLC (Formerly "Urban Fulfillment Services LLC")	USA	100%	0.11	71	(0.23)	(34)	-	-	(0.23)	(34)
81	Datawave (An HCL Technologies Company) Limited	Scotland	100%	0.05	31	(0.00)	(2)	-	-	(0.01)	(2)
82	HCL Technologies Corporate Services Limited	UK	100%	11.55	7,551	0.00	0	-	-	-	-
83	Telerx Marketing Inc.	USA	100%	0.46	302	0.35	52	-	-	0.35	52
84	C3i Europe Eood	Bulgaria	100%	(0.05)	(30)	0.15	22	-	-	0.15	22
85	C3i (UK) Limited	UK	0%	-	-	0.01	1	-	-	0.01	1
86	C3i Japan GK	Japan	100%	0.02	11	0.05	8	-	-	0.05	8
87	C3i Services &Technologies (Dalian) Co., Ltd	China	100%	0.04	24	0.10	15	-	-	0.10	15
88	HCL Technologies SEP Holdings Inc	USA	100%	-	-	2.14	320	-	-	2.17	320
89	Actian Corporation (and including its subsidiaries)	USA	100%	4.22	2,763	1.96	294	-	-	1.99	294
90	HCL Technologies Vietnam Company Limited	Vietnam	100%	0.01	9	0.00	0	-	-	-	-
91	HCL Guatemala, Sociedad Anonima	Guatemala	100%	0.03	17	0.18	28	-	-	0.19	28
92	Sankalp Semiconductor Inc.	Canada	100%	0.01	9	0.00	0	-	-	-	-
93	Sankalp USA Inc.	USA	0%	0.00	2	0.00	1	-	-	0.01	1
94	Sankalp Semiconductor GmbH.	Germany	100%	0.00	0	0.00	0	-	-	-	-
95	Sankalp Semiconductor SDN.BHD.	Malaysia	100%	0.00	0	(0.00)	(0)	-	-	-	-
96	H C L Technologies Lanka (Private) Limited	Sri Lanka	100%	0.12	78	0.84	126	-	-	0.85	126
97	HCL TECHNOLOGIES TRINIDAD AND TOBAGO LIMITED	Trinidad and Tobago	100%	0.01	8	0.00	0	-	-	-	-
98	HCL Technologies Azerbaijan Limited Liability Company	Azerbaijan	100%	0.00	0	(0.00)	(0)	-	-	-	-

Notes to consolidated financial statements for the year ended 31 March 2024

(All amounts in crores of ₹, except share data and as stated otherwise)

S. No.	Name of the Entity	Country of incorporation	Percentage holding as at 31 March 2023	Net Assets, i.e. total assets minus liabilities as at		Share in profit and loss		Share in other comprehensive income		Share in total comprehensive income	
				31 March 2023							
				As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount	As % of consolidate	Amount
99	HCL Technologies Bulgaria EOOD	Bulgaria	100%	0.00	(4)	0.06	10	-	-	0.07	10
100	HCL Vietnam Company Limited (Formerly known as HCL Technologies (Vietnam) Company Limited)	Vietnam	100%	0.07	47	(0.36)	(54)	-	-	(0.37)	(54)
101	HCL Technologies Angola (SU), LDA	Angola	100%	0.05	33	0.01	2	-	-	0.01	2
102	HCL Technologies S.A.C.	Peru	100%	0.00	3	0.00	0	-	-	-	-
103	DWS Pty Limited (Formely "DWS Limited")	Australia	100%	0.81	530	(0.31)	(46)	-	-	(0.31)	(46)
104	Wallis Nominees (Computing) Pty Ltd	Australia	100%	0.00	1	0.22	34	-	-	0.23	34
105	DWS (NSW) Pty Ltd	Australia	100%	0.11	72	0.12	18	-	-	0.12	18
106	Projects Assured Pty Ltd	Australia	100%	0.68	446	0.69	104	-	-	0.71	104
107	Symplicit Pty Ltd	Australia	100%	0.00	3	(0.10)	(14)	-	-	(0.09)	(14)
108	Phoenix IT & T Consulting Pty Ltd	Australia	100%	0.00	0	0.02	3	-	-	0.02	3
109	DWS Product Solutions Pty Ltd	Australia	100%	0.00	0	(0.04)	(5)	-	-	(0.03)	(5)
110	Graeme V Jones & Associates Pty Ltd	Australia	100%	0.00	0	(0.03)	(5)	-	-	(0.03)	(5)
111	SDM Sales Pty Ltd	Australia	100%	0.00	0	(0.00)	(1)	-	-	0.00	(1)
112	Strategic Data Management Pty Ltd	Australia	100%	0.00	0	0.00	0	-	-	-	-
113	DWS (New Zealand) Ltd	New Zealand	100%	0.01	4	0.03	4	-	-	0.03	4
114	HCL Technologies Costa Rica Sociedad De Responsabilidad Limitada	Costa Rica	100%	0.01	9	0.02	3	-	-	0.02	3
115	HCL Technologies gbs GmbH (Formerly "gbs-Gesellschaft für Banksysteme GmbH")	Germany	51%	(0.01)	(5)	(0.08)	(12)	(3.33)	8	(0.03)	(4)
116	HCL Technologies Slovakia s. r. o.	Slovakia	100%	0.00	1	0.00	0	-	-	-	-
117	HCL Technologies Bahrain W.L.L	Bahrain	100%	0.00	2	(0.00)	(0)	-	-	-	-
118	HCL Technologies Morocco Limited	Morocco	100%	0.02	10	0.00	0	-	-	-	-
119	Starschema Inc	USA	100%	0.06	40	0.06	9	-	-	0.06	9
120	Brilliant Data LLC	USA	100%	0.00	2	0.00	0	-	-	-	-
121	Manzina Tech GmbH	Switzerland	100%	0.00	0	(0.00)	(0)	-	-	-	-
122	Confinale AG	Switzerland	100%	0.73	477	(0.15)	(23)	-	-	(0.16)	(23)
123	Confinale (Deutschland) GmbH	Germany	100%	0.03	17	0.03	4	-	-	0.03	4
124	Confinale (UK) Limited	UK	100%	0.00	3	0.01	2	-	-	0.01	2
Total				100.00	65,398	100.00	14,980	100.00	(240)	100.00	14,740
Non controlling interest					7		6		7		13
Consolidation adjustments					-		(135)		4,724		4,589
Consolidated Net assets / Profit after tax					**65,405**		**14,851**		**4,491**		**19,342**

Note: Dividend received from subsidiaries has been excluded from profits.

* The Group has equity interest of 49% and 100% dividend rights and control

3.36 Subsequent events

(a) The Board of Directors at its meeting held on 26 April 2024 has declared an interim dividend of ₹ 18 per share.

(b) Arrangement with State Street International Holdings, USA (State Street)

The Group is providing certain business process outsourcing (BPO) services to State Street and its affiliates through a joint venture. With effect from 1 April 2024, the Group has divested it's stake in the joint venture in favour of State Street and the agreement for related services has also been terminated. Accordingly, the balance sheet of Statestreet HCL Holding UK Limited (and its step down subsidiaries) will be de-consolidated from that date.

As per our report of even date attached

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

Rakesh Dewan
Partner
Membership Number: 092212

Gurugram, India
26 April 2024

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

Roshni Nadar Malhotra
Chairperson
DIN - 02346621

C. Vijayakumar
Chief Executive Officer
and Managing Director
DIN - 09244485

S. Madhavan
Director
DIN - 06451889

Prateek Aggarwal
Chief Financial Officer

Goutam Rungta
Corporate Vice President - Finance

Manish Anand
Company Secretary

Noida (UP), India
26 April 2024

Statement containing the salient features of the financial statements of subsidiaries/ associates companies

[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	Date of acquisition / incorporation	Financial period ended	Reporting Currency	Exchange Rate as on respective balance sheet date	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (other than in subsidiaries)	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend	Extent of shareholding (in percentage)
1	HCL Comnet Systems & Services Limited	24-Aug-1999	31-Mar-2024	INR	1.00	12,800	15,258	288,126	260,068	175,423	-	42,372	49,986	(7,614)	-	100%
2	HCL Bermuda Limited	10-Dec-1997	31-Mar-2024	USD	83.40	38,346,247	29,492,064	68,016,297	177,986	83	-	5,217,979	-	5,217,979	-	100%
3	HCL Technologies (Shanghai) Limited	23-Jul-2007	31-Dec-2023	CNY	11.70	179,234	1,217,704	3,281,540	1,884,602	-	2,042,625	214,406	33,983	180,423	-	100%
4	HCL Singapore Pte. Limited	01-Jan-2003	31-Mar-2024	SGD	61.74	125,639	4,655,428	10,095,444	5,314,377	-	21,917,078	1,092,539	121,246	971,293	-	100%
5	HCL Training & Staffing Services Private Limited	29-Feb-2016	31-Mar-2024	INR	1.00	17,513	(547,630)	432,837	962,954	75,285	395,078	44,048	33,587	10,461	-	100%
6	HCL Great Britain Limited (Note 8)	07-Jan-1997	31-Mar-2024	GBP	105.03	-	4,412	116,685	112,273	-	-	1,785	420	1,365	-	100%
7	HCL Australia Services Pty. Limited (Note 7)	21-May-1998	31-Mar-2024	AUD	54.11	4,432,044	5,707,718	19,056,722	8,916,960	-	32,580,016	332,333	119,573	212,760	-	100%
8	HCL (New Zealand) Limited	28-Jan-1998	31-Mar-2024	NZD	49.77	2,310	868,906	2,123,576	1,252,360	-	4,191,777	160,377	48,444	111,933	-	100%
9	HCL Hong Kong SAR Limited	05-Jun-1998	31-Dec-2023	HKD	10.65	2,058	340,681	853,140	510,401	-	1,869,884	139,321	28,358	110,963	-	100%
10	HCL Japan Limited	10-Feb-1998	31-Mar-2024	JPY	0.55	121,264	1,591,865	7,312,770	5,599,641	-	13,278,959	659,786	243,079	416,707	-	100%
11	HCL America Inc.	17-Jan-1995	31-Mar-2024	USD	83.40	583,834	129,110,821	233,700,593	104,005,938	834,049	331,868,187	14,846,076	3,920,031	10,926,045	-	100%
12	HCL Technologies Austria GmbH	01-Mar-1997	31-Dec-2023	EUR	91.94	43,431	8,142,142	8,989,592	804,019	-	1,040,402	39,486	(35,666)	75,152	-	100%
13	HCL Software Products Limited	19-Jun-1995	31-Mar-2024	INR	1.00	1,061	5,204,788	9,141,154	3,935,305	604,848	21,245,511	2,025,201	812,853	1,212,348	-	100%
14	HCL Technologies (Taiwan) Ltd.	15-Dec-2016	31-Dec-2023	TWD	2.72	29,896	149,572	696,958	517,490	-	685,066	31,717	7,543	24,174	-	100%
15	HCL Technologies Lithuania UAB	26-Aug-2016	31-Dec-2023	EUR	91.94	33,099	437,823	684,268	213,346	-	573,693	31,976	9,010	22,966	-	100%
16	HCL Poland Sp.z.o.o	31-May-2007	31-Mar-2024	PLN	21.18	293,405	2,878,743	5,202,057	2,029,909	-	10,338,810	646,640	121,242	525,398	-	100%
17	HCL EAS Limited	11-Sep-2008	31-Dec-2023	USD	83.21	13,110,418	(9,530,787)	59,223,415	55,643,784	-	234,149	(203,195)	(35,280)	(167,915)	-	100%
18	HCL Insurance BPO Services Limited	01-Sep-2008	31-Mar-2024	GBP	105.03	851,765	613,146	1,869,473	404,562	-	2,122,902	297,855	(117,210)	415,065	-	100%
19	Axon Group Limited	15-Dec-2008	31-Dec-2023	GBP	105.73	71,684	20,233,660	20,602,652	297,308	-	-	1,006,111	33,833	972,278	-	100%
20	HCL Canada Inc.	15-Dec-2008	31-Mar-2024	CAD	61.27	12,683	8,871,802	14,524,500	5,640,015	-	30,492,565	2,252,109	718,597	1,533,512	-	100%
21	HCL Technologies Solution GmbH	15-Dec-2008	31-Dec-2023	CHF	99.02	11,883	639,819	4,543,234	3,891,532	-	5,314,865	10,778	3,500	7,278	-	100%
22	Axon Solutions Limited (Note 8)	15-Dec-2008	31-Dec-2023	GBP	105.73	0	738,406	749,085	10,679	-	-	(6,978)	(1,692)	(5,286)	-	100%
23	HCL Technologies Malaysia Sdn. Bhd.	15-Dec-2008	31-Dec-2023	MYR	18.11	1,233,460	1,209,377	3,020,930	578,093	-	3,028,146	244,849	69,000	175,849	-	100%
24	HCL Axon Solutions (Shanghai) Co. Limited	15-Dec-2008	31-Dec-2023	CNY	11.70	24,214	2,694,550	8,526,857	5,808,093	-	5,318,531	509,530	142,338	367,192	-	100%
25	HCL Technologies (Proprietary) Ltd. (Note 10)	15-Dec-2008	31-Dec-2023	ZAR	4.47	389,255	2,309,923	5,434,901	2,735,723	-	7,113,892	572,619	152,015	420,604	-	48%
26	HCL Argentina s.a.	27-Jul-2009	31-Dec-2023	ARS	0.10	454	(141,658)	383,175	524,379	-	162,011	(122,079)	-	(122,079)	-	100%
27	HCL Technologies Mexico S. de R.L.	25-Jun-2009	31-Dec-2023	MXN	4.91	1,400,204	1,551,371	8,773,383	5,821,808	-	16,101,723	1,445,453	583,684	861,769	-	100%
28	HCL Technologies Romania s.r.l.	28-May-2009	31-Dec-2023	RON	18.50	6,537	582,079	2,257,741	1,669,125	-	4,407,248	268,168	45,199	222,969	-	100%
29	HCL Technologies Startschema Kft. (Formerly "HCL Hungary Kft")	12-May-2009	31-Dec-2023	HUF	0.24	263,047	2,202,953	4,612,343	2,146,343	-	2,617,011	15,519	16,119	(600)	-	100%
30	HCL Latin America Holding LLC	30-Mar-2009	31-Mar-2024	USD	83.40	3,469,311	(543,713)	3,524,362	598,764	-	402,512	52,545	42,918	9,627	-	100%
31	HCL (Brazil) Tecnologia da Informacao LTDA	30-Dec-2008	31-Dec-2023	BRL	17.13	1,413,689	380,424	9,522,330	7,728,217	-	8,194,501	663,172	149,104	514,068	-	100%
32	HCL Technologies Denmark Aps	23-Jun-2010	31-Dec-2023	DKK	12.35	40,376	2,326,984	6,583,325	4,215,965	-	9,902,610	539,330	119,992	419,338	-	100%
33	HCL Technologies Norway AS	09-Jun-2010	31-Dec-2023	NOK	8.19	24,499	2,857,628	4,388,938	1,506,811	-	3,683,734	294,609	66,754	227,855	-	100%
34	PT. HCL Technologies Indonesia Limited	13-Aug-2010	31-Mar-2024	IDR	0.01	54,704	251,739	672,828	366,385	-	709,080	75,165	5,460	69,705	-	100%
35	HCL Technologies Philippines Inc.	24-Nov-2010	31-Mar-2024	PHP	1.48	402,438	1,858,773	4,216,963	1,955,752	-	5,226,355	385,889	(37,502)	423,391	-	100%
36	HCL Technologies South Africa (Proprietary) Limited (Note 10)	14-Sep-2010	31-Dec-2023	ZAR	4.47	1,191,144	19,593	1,265,636	54,899	-	26,273	235,190	1,569	233,621	-	36%
37	HCL Arabia LLC	07-May-2011	31-Dec-2023	SAR	22.19	135,347	386,995	3,035,425	2,513,083	-	2,829,514	118,972	24,630	94,342	-	100%

(Amount in ₹ Thousand)

S. No	Name of the Subsidiary Company	Date of acquisition / incorporation	Financial period ended	Reporting Currency	Exchange Rate as on respective balance sheet date	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (other than in subsidiaries)	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend	Extent of shareholding (in percentage)
38	HCL Technologies France SAS	07-Mar-2011	31-Mar-2024	EUR	89.87	226,121	2,693,230	10,229,562	7,310,211	-	16,079,734	694,869	168,720	526,149	-	100%
39	Filial Espanola De HCL Technologies S.L	12-Jan-2011	31-Dec-2023	EUR	91.94	27,583	559,921	2,900,626	2,313,122	-	4,290,663	75,706	18,931	56,775	-	100%
40	Anzospan Investments Pty. Limited (Note 10)	15-Mar-2011	31-Dec-2023	ZAR	4.47	274,895	976,143	1,421,961	170,923	-	-	340,497	-	340,497	-	70 %
41	HCL Investments (UK) Limited	09-Nov-2011	31-Dec-2023	USD	83.21	887,502	3,429,523	6,075,304	1,758,279	-	242,054	197,371	43,768	153,603	-	100%
42	HCL America Solutions Inc.	26-Jun-2012	31-Mar-2024	USD	83.40	834	2,036,331	7,557,320	5,520,155	-	21,850,171	901,440	269,314	632,126	-	100%
43	HCL Technologies Chile Spa	10-Jun-2013	31-Dec-2023	CLP	0.09	56,618	474,966	1,124,838	593,254	-	825,861	80,017	1,896	78,121	-	100%
44	HCL Technologies UK Limited	20-Aug-2013	31-Mar-2024	GBP	105.03	22,611,381	18,815,090	71,424,265	29,997,794	76,774	83,803,957	4,613,292	1,279,644	3,333,648	-	100%
45	HCL Technologies B.V.	19-Sep-2013	31-Mar-2024	EUR	89.87	8,987	1,779,678	7,056,521	5,267,856	-	19,675,172	874,442	250,518	623,924	-	100%
46	HCL (Ireland) Information Systems Limited	29-Oct-2013	31-Mar-2024	EUR	89.87	8,987	1,456,664	4,339,523	2,873,872	-	10,497,807	1,033,091	137,326	895,765	-	100%
47	HCL Technologies Germany Gmbh	21-Nov-2013	31-Mar-2024	EUR	89.87	11,297	3,833,193	22,662,017	18,817,527	-	44,408,872	2,185,686	664,028	1,521,658	-	100%
48	HCL Technologies Belgium BV (Formerly "HCL Technologies Belgium BVBA")	25-Nov-2013	31-Dec-2023	EUR	91.94	337,263	876,900	6,774,492	5,560,329	-	7,098,953	188,355	54,077	134,278	-	100%
49	HCL Technologies Sweden AB	18-Dec-2013	31-Mar-2024	SEK	7.81	9,182	6,731,403	20,283,521	13,542,936	-	43,461,735	2,124,355	457,849	1,666,506	-	100%
50	HCL Technologies Finland Oy	14-Jan-2014	31-Mar-2024	EUR	89.87	8,987	1,333,354	6,118,456	4,776,115	-	11,402,891	632,854	199,209	433,645	-	100%
51	HCL Technologies Italy S.P.A	29-Jul-2014	31-Dec-2023	EUR	91.94	261,118	1,374,531	7,360,527	5,724,878	-	5,191,165	291,437	81,344	210,093	-	100%
52	HCL Technologies Columbia S.A.S.	06-Aug-2014	31-Dec-2023	COP	0.02	101,095	(1,317)	706,583	606,805	-	654,764	(20,234)	63,368	(83,602)	-	100%
53	HCL Technologies Middle East FZ-LLC	19-Aug-2014	31-Mar-2024	AED	22.71	82,899	376,085	1,437,444	978,460	-	2,381,303	137,368	-	137,368	-	100%
54	HCL Istanbul Bilisim Teknolojileri Limited Sirketi	30-Sep-2014	31-Dec-2023	TRY	2.81	2,711	109,761	673,324	560,852	-	317,293	68,999	18,961	50,038	-	100%
55	HCL Technologies Greece Single Member P.C.	30-Sep-2014	31-Dec-2023	EUR	91.94	40,547	35,214	200,068	124,307	-	181,863	8,827	6,712	2,115	-	100%
56	HCL Technologies S.A.	20-Nov-2014	31-Mar-2024	VES	2.30	44	160	10,367	10,163	-	6,916	4,528	1,592	2,936	-	100%
57	HCL Technologies Beijing Co. Ltd.	06-Feb-2015	31-Dec-2023	CNY	11.70	73,967	246,017	510,437	190,453	-	801,240	62,786	8,593	54,193	-	100%
58	HCL Technologies Luxembourg S.a r.l.	12-Feb-2015	31-Dec-2023	EUR	91.94	4,597	59,564	231,792	167,631	-	186,620	15,043	4,508	10,535	-	100%
59	HCL Technologies Egypt Limited	22-Mar-2015	31-Mar-2024	EGP	1.76	8,190	17,766	425,428	399,472	-	299,837	13,191	5,231	7,960	-	100%
60	HCL Technologies Estonia OÜ	08-Jun-2015	31-Dec-2023	EUR	91.94	48,638	11,952	400,044	339,454	-	112,722	6,804	-	6,804	-	100%
61	HCL Technologies (Thailand) Ltd.	10-Jun-2015	31-Dec-2023	THB	2.42	47,560	232,012	831,751	552,179	-	1,111,556	92,058	25,218	66,840	-	100%
62	HCL Technologies Czech Republic s.r.o.	28-Aug-2015	31-Dec-2023	CZK	3.73	68,027	1,382,151	2,798,935	1,348,757	-	4,730,410	414,736	65,018	349,718	-	100%
63	HCL Muscat Technologies LLC	17-Dec-2015	31-Dec-2023	OMR	216.13	37,541	64,176	210,967	109,250	-	141,014	11,231	1,959	9,272	-	100%
64	Statestreet HCL Holding UK Limited (Note 9)	09-Dec-2011	31-Mar-2024	GBP	105.03	671,691	521	673,266	1,054	-	-	6,976,431	697,677	6,278,754	-	100%
65	Statestreet HCL Services (India) Private Limited (Note 9)	06-Jan-2012	31-Mar-2024	INR	1.00	393,693	1,690,868	3,667,502	1,582,941	-	9,007,876	2,355,960	134,302	2,221,658	-	100%
66	Statestreet HCL Services (Philippines) Inc. (Note 9)	20-Jun-2013	31-Mar-2024	PHP	1.48	127,040	172,583	301,080	1,457	-	-	12,631	-	12,631	-	100%
67	Geometric Europe GmbH	01-Apr-2016	31-Dec-2023	EUR	91.94	1,291,800	(786,479)	578,088	72,767	-	155,764	17,424	(15,682)	33,106	-	100%
68	HCL Asia Pacific Pte Ltd.	01-Apr-2016	31-Mar-2024	SGD	61.74	6,174	344,360	1,163,859	813,325	-	986,027	61,812	25,842	35,970	-	100%
69	Geometric China, Inc.	01-Apr-2016	31-Dec-2023	CNY	11.70	38,395	12,080	50,651	176	-	-	(749)	-	(749)	-	100%
70	Geometric Americas, Inc.	01-Apr-2016	31-Mar-2024	USD	83.40	1,006,094	439,411	2,360,625	915,120	-	2,498,445	217,380	87,757	129,623	-	100%
71	Butler America Aerospace LLC	03-Jan-2017	31-Mar-2024	USD	83.40	-	1,708,309	2,241,591	533,282	-	4,572,821	357,063	98,753	258,310	-	100%
72	HCL Lending Solutions, LLC (Formerly "Urban Fulfillment Services LLC")	23-Aug-2017	31-Dec-2023	USD	83.21	-	66,951	876,871	809,920	-	956,707	(269,456)	-	(269,456)	-	100%
73	Datawave (An HCL Technologies Company) Limited	01-Sep-2017	31-Dec-2023	GBP	105.73	12	13,110	14,725	1,603	-	-	1,157	275	882	-	100%

(Amount in ₹ Thousand)

S. No	Name of the Subsidiary Company	Date of acquisition / incorporation	Financial period ended	Reporting Currency	Exchange Rate as on respective balance sheet date	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (other than in subsidiaries)	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend	Extent of shareholding (in percentage)
74	HCL Technologies Corporate Services Limited (Note 8)	05-Mar-2018	31-Mar-2024	USD	83.40	-	2,002	73,889,422	73,887,420	-	13,428	667	751	(84)	-	100%
75	C3i Support Services Private Limited	06-Apr-2018	31-Mar-2024	INR	1.00	15,421	1,024,815	1,117,179	76,943	669,026	503,937	143,406	35,600	107,806	-	100%
76	C3i Europe Eood	06-Apr-2018	31-Dec-2023	BGN	47.07	7,108	1,414,222	1,992,243	570,913	-	3,320,562	256,720	26,500	230,220	-	100%
77	C3i Japan GK	06-Apr-2018	31-Dec-2023	JPY	0.59	-	39,774	83,437	43,663	-	114,507	9,105	3,068	6,037	-	100%
78	C3i Services &Technologies (Dalian) Co., Ltd	06-Apr-2018	31-Dec-2023	CNY	11.70	22,940	559,241	678,738	96,557	-	627,430	53,032	8,985	44,047	-	100%
79	Actian Corporation	17-Jul-2018	31-Dec-2023	USD	83.21	1	12,565,481	21,438,346	8,872,864	12,481	17,622,637	6,543,050	1,242,503	5,300,547	-	100%
80	Actian Australia Pty. Ltd (Note 8)	17-Jul-2018	31-Dec-2023	AUD	56.63	-	562,045	1,440,266	878,221	-	2,478,828	67,398	37,895	29,503	-	100%
81	Actian Europe Limited (Note 8)	17-Jul-2018	31-Dec-2023	GBP	105.73	-	309,070	2,988,635	2,679,565	-	5,487,160	77,914	18,435	59,479	-	100%
82	Actian France	17-Jul-2018	31-Dec-2023	EUR	91.94	3,402	39,909	811,804	768,493	-	448,181	2,675	441	2,234	-	100%
83	Actian Germany GmbH	17-Jul-2018	31-Dec-2023	EUR	91.94	2,299	123,470	1,078,944	953,175	-	1,239,571	35,259	10,921	24,338	-	100%
84	Actian International, Inc. (Note 8)	17-Jul-2018	31-Dec-2023	USD	83.21	-	8,028	8,028	-	-	-	-	-	-	-	100%
85	Actian Technology Private Limited	17-Jul-2018	31-Mar-2024	INR	1.00	1,000	12,565	14,538	973	-	-	(928)	(1)	(927)	-	100%
86	Versant GmbH	17-Jul-2018	31-Dec-2023	EUR	91.94	16,550	2,406,248	2,842,190	419,392	-	1,148,093	668,482	215,759	452,723	-	100%
87	Versant India Private Limited	17-Jul-2018	31-Mar-2024	INR	1.00	1,000	3,905	7,485	2,580	-	-	(535)	-	(535)	-	100%
88	HCL Technologies Vietnam Company Limited	27-Apr-2018	31-Mar-2024	VND	0.00	3,857	25,940	255,844	226,047	-	196,477	10,079	2,142	7,937	-	100%
89	HCL Guatemala, Sociedad Anonima	22-Feb-2019	31-Dec-2023	GTQ	10.64	224,059	1,195,089	2,897,698	1,478,550	-	4,763,517	374,239	8,492	365,747	-	100%
90	Sankalp Semiconductor Private Limited	10-Oct-2019	31-Mar-2024	INR	1.00	15,178	1,530,904	1,907,585	361,503	681,024	1,614,311	273,586	86,115	187,471	-	100%
91	Sankguj Semiconductor Private Limited	10-Oct-2019	31-Mar-2024	INR	1.00	4,300	(4,202)	153	55	-	-	(155)	-	(155)	-	100%
92	Sankalp Semiconductor Inc.	10-Oct-2019	31-Mar-2024	CAD	61.27	4,902	77,631	92,337	9,804	-	21,935	14,460	3,921	10,539	-	100%
93	H C L Technologies Lanka (Private) Limited	29-Nov-2019	31-Mar-2024	LKR	0.28	132,225	1,842,307	2,366,932	392,400	-	3,116,485	1,731,743	-	1,731,743	-	100%
94	HCL Technologies Bulgaria EOOD	18-Nov-2019	31-Dec-2023	BGN	47.07	21,793	225,231	882,518	635,494	-	1,911,423	120,641	12,191	108,450	-	100%
95	HCL Technologies Trinidad and Tobago Limited	23-May-2019	31-Dec-2023	TTD	12.30	2,829	4,379	121,457	114,249	-	60,685	5,953	8,954	(3,001)	-	100%
96	HCL Technologies Azerbaijan Limited Liability Company	08-Oct-2019	31-Dec-2023	AZN	48.90	3,814	(4,254)	1,027	1,467	-	147	(1,076)	-	(1,076)	-	100%
97	HCL Vietnam Company Limited (Formerly known as HCL Technologies (Vietnam) Company Limited)	16-Mar-2020	31-Mar-2024	VND	0.00	542,069	(1,308,990)	798,852	1,565,773	-	1,019,230	(456,567)	-	(456,567)	-	100%
98	HCL Technologies Angola (SU), LDA	30-Jun-2020	31-Dec-2023	AOA	0.10	2,232	4,086	439,881	433,563	-	263,557	20,450	28,912	(8,462)	-	100%
99	HCL Technologies S.A.C.	11-Sep-2020	31-Dec-2023	PEN	22.46	26,213	7,276	121,901	88,412	-	120,172	9,167	3,574	5,593	-	100%
100	HCL Technologies gbs GmbH	05-Jan-2022	31-Dec-2023	EUR	91.94	156,303	(11,451)	680,656	535,804	-	784,997	(19,594)	-	(19,594)	-	51%
101	HCL Technologies Costa Rica Sociedad De Responsabilidad Limitada	23-Jul-2021	31-Dec-2023	CRC	0.16	103,926	77,502	380,112	198,684	-	505,826	43,719	-	43,719	-	100%
102	HCL Technologies Bahrain W.L.L.	18-Jan-2022	31-Dec-2023	BHD	220.72	17,746	(4,512)	14,996	1,762	-	-	(4,299)	-	(4,299)	-	100%
103	HCL Technologies Morocco Limited	30-Mar-2022	31-Dec-2023	MAD	8.41	-	59,070	295,635	236,565	-	234,874	11,372	(648)	12,020	-	100%
104	HCL Technologies Slovakia s. r. o.	22-Mar-2022	31-Mar-2024	EUR	89.87	16,177	4,134	65,479	45,168	-	166,186	4,411	1,331	3,080	-	100%
105	Starschema Inc	02-Apr-2022	31-Dec-2023	USD	83.21	8,321	21,218	553,919	524,380	-	455,483	5,908	40,273	(34,365)	208,021	100%
106	Confinale AG	31-May-2022	31-Dec-2023	CHF	99.02	9,902	497,625	1,337,158	829,631	-	2,307,056	131,087	44,413	86,674	-	100%
107	Confinale (Deutschland) GmbH	31-May-2022	31-Dec-2023	EUR	91.94	2,299	192,745	265,515	70,471	-	284,435	57,626	17,999	39,627	-	100%
108	Confinale (UK) Limited	31-May-2022	31-Dec-2023	GBP	105.73	2,115	56,756	76,305	17,434	-	107,378	36,052	8,291	27,761	-	100%
109	Quest Informatics Private Limited	12-Jul-2022	31-Mar-2024	INR	1.00	1,764	352,193	383,580	29,623	215,876	195,080	63,872	17,772	46,100	-	100%
110	HCL Technologies Jigani Limited	25-Aug-2022	31-Mar-2024	INR	1.00	500	(212)	347	59	-	-	(68)	-	(68)	-	100%

(Amount in ₹ Thousand)

S. No	Name of the Subsidiary Company	Date of acquisition / incorporation	Financial period ended	Reporting Currency	Exchange Rate as on respective balance sheet date	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments (other than in subsidiaries)	Turnover	Profit/(Loss) before taxation	Provision for taxation	Profit/(Loss) after taxation	Proposed Dividend	Extent of shareholding (in percentage)
111	ASAP Holding GmbH	31-Aug-2023	31-Dec-2023	EUR	91.94	2,755	2,975,814	5,390,902	2,412,333	-	1,240,679	1,313,636	355,763	957,873	-	100%
112	ASAP Engineering GmbH, Weissach	31-Aug-2023	31-Dec-2023	EUR	91.94	4,781	135,040	581,385	441,564	-	1,282,471	125,900	100	125,800	-	100%
113	ASAP Engineering GmbH, Gaimersheim	31-Aug-2023	31-Dec-2023	EUR	91.94	2,299	297,891	2,104,691	1,804,501	-	6,839,480	725,642	466	725,176	-	100%
114	ASAP Engineering GmbH, Russelsheim	31-Aug-2023	31-Dec-2023	EUR	91.94	2,299	78,465	170,735	89,971	-	460,557	20,099	142	19,957	-	100%
115	ASAP Electronics GmbH, Gaimersheim	31-Aug-2023	31-Dec-2023	EUR	91.94	4,597	525,954	3,915,544	3,384,993	-	5,061,586	419,693	1,498	418,195	-	100%
116	ASAP Engineering GmbH, Weyhausen	31-Aug-2023	31-Dec-2023	EUR	91.94	9,194	205,088	912,090	697,808	-	2,816,678	23,397	1,651	21,746	-	100%
117	ASAP Engineering GmbH, Friedrichshafen	31-Aug-2023	31-Dec-2023	EUR	91.94	9,194	42,385	226,128	174,549	-	912,413	104,237	15	104,222	-	100%
118	ASAP Quality Consulting GmbH, Gaimersheim	31-Aug-2023	31-Dec-2023	EUR	91.94	4,597	28,320	37,623	4,706	-	13,255	401	283	118	-	100%
119	FIDUS Personal GmbH	31-Aug-2023	31-Dec-2023	EUR	91.94	9,194	386	9,585	5	-	-	33	-	33	-	100%
120	Sigl Bordnetz Design GmbH	31-Aug-2023	31-Dec-2023	EUR	91.94	2,299	59,739	162,251	100,213	-	267,380	60,012	-	60,012	-	100%
121	Dicturus Grundstücksverwaltungsgesellschaft mbH & Co. Vermie	31-Aug-2023	31-Dec-2023	EUR	91.94	-	-	554,875	554,875	-	25,540	1,059	850	209	-	94 %

Notes:

1. 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.

2. HCL Technologies Holding UK Limited is incorporated on 11-Feb-2024 and the company is yet to commence the operations.

3. Following are the entities acquired during the year:

S. No.	Name of the subsidiary Company	Date of acquisition
1	ASAP Holding GmbH	31-Aug-2023
2	ASAP Engineering GmbH, Weissach	31-Aug-2023
3	ASAP Engineering GmbH, Gaimersheim	31-Aug-2023
4	ASAP Engineering GmbH, Russelsheim	31-Aug-2023
5	ASAP Electronics GmbH, Gaimersheim	31-Aug-2023
6	ASAP Engineering GmbH, Weyhausen	31-Aug-2023
7	ASAP Engineering GmbH, Friedrichshafen	31-Aug-2023
8	ASAP Quality Consulting GmbH, Gaimersheim	31-Aug-2023
9	FIDUS Personal GmbH	31-Aug-2023
10	Sigl Bordnetz Design GmbH	31-Aug-2023
11	Dicturus Grundstücksverwaltungsgesellschaft mbH & Co. Vermie	31-Aug-2023

4. Following are the entities which have been dissolved during the year :

S.No.	Name of the subsidiary Company	Date of dissolution
1	Sankalp semiconductor Sdn. Bhd.	03-Oct-2023
2	Brilliant Data LLC	08-Feb-2024

5. Following are the entities which have been merged during the year

S.No.	Transferor company	Transferee company	Effective date of merger
1	Manzina Tech GmbH	Confinale AG	04-Jul-2023
2	Telerx Marketing Inc	HCL America Inc	15-Mar-2024

6. Following entities are under liquidation hence, no financial statement has been prepared as per their local laws:

S.No.	Name of the subsidiary company
1	Sankalp Semiconductor GmbH

7. Following entities are consolidated with HCL Australia Services Pty :

S.No.	Name of the subsidiary company
1	DWS (New Zealand) Ltd.
2	DWS (NSW) Pty Ltd.
3	DWS Product Solutions Pty Ltd.
4	DWS Pty Limited (Formely “DWS Limited”).
5	Graeme V Jones & Associates Pty Ltd.
6	Phoenix IT & T Consulting Pty Ltd.
7	Projects Assured Pty Ltd.
8	SDM Sales Pty Ltd.
9	Strategic Data Management Pty Ltd.
10	Symplicit Pty Ltd.
11	Wallis Nominees (Computing) Pty Ltd.

8. Refer table given below for absolute amount of share capital in the following company :

S.No.	Name of the subsidiary company	Share Capital(₹)
1	HCL Great Britain Limited	105
2	Axon Solutions Limited	106
3	HCL Technologies Corporate Services Limited	83
4	Actian Australia Pty Ltd	57
5	Actian Europe Limited	106
6	Actian International, Inc.	83

9. With respect to entities on serial number 64, 65 and 66, the Group had equity interest of 49% and 100% dividend rights and control as per Ind AS 110 “Consolidated Financial Statements” till 31 March 2024. With effect from 1 April 2024, the Group has divested it’s stake in these entities.

10. With respect to entities on serial number 25, 36 and 40, the Group has majority composition of board of directors and management control.

11. On 30 September 2017, the Group has terminated its existing arrangements with DXC. Accordingly, CeleritiFinTech Limited (and its step down subsidiaries) and Celeritifintech Services Limited (and its step down subsidiaries) has not been consolidated with the Group from that date. Accordingly, their standalone financial statements are not considered for the purpose of this statement.

For HCL Technologies Limited

Roshni Nadar Malhotra
Chairperson
DIN - 02346621

C. Vijayakumar
Chief Executive Officer and Managing Director
DIN - 09244485

S. Madhavan
Director
DIN - 06451889

Prateek Aggarwal
Chief Financial Officer

Goutam Rungta
Corporate Vice President - Finance

Manish Anand
Company Secretary

Place: Noida, UP (India)
July 12, 2024

Notes

HCLTech

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