

23rd May, 2025

To

The General Manager BSE Limited Sir Phiroze Jeejeebhoy Towers Dalal Street Fort Mumbai 400 001	The Vice President Department of Corporate Relations Listing Department The National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex Bandra (East) Mumbai 400 051
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Sub: Press Release

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

Dear Sir/Madam,

We are forwarding a copy of the press release being made by HCL Infosystems Limited on the Audited Financial Results of the Company for the quarter and financial year ended 31st March, 2025.

Please take this on record.

Very Truly Yours,

For HCL Infosystems Limited**Raj Kumar Sachdeva**
Manager

Encl: As above.

HCL Infosystems registers Rs. 2,461.27 Lakhs revenue with operating loss of Rs. 2,694.80 Lakhs in FY25

May 23, 2025, New Delhi

FY25 Business Highlights:

- **FY25** revenue was Rs. 2,461.27 Lakhs
- Loss Before Tax and exceptional items Rs. 2,694.80 Lakhs
- Exceptional non-recurring gain during this year was on account of:
 - Profit on sale of properties of Rs. 583.88 Lakhs.
- Loss Before Tax after considering exceptional items Rs. 2,110.92 Lakhs

Q4' FY25 Business Highlights:

- **Q4'25** revenue was Rs. 465.50 Lakhs
- Loss Before Tax and exceptional items Rs. 974.34 Lakhs
- Exceptional non-recurring gain during this quarter was on account of:
 - Profit on sale of properties of Rs. 583.88 Lakhs.
- Loss Before Tax after considering exceptional items Rs. 390.46 Lakhs

HCL Infosystems today announced its financial results for the quarter ended Mar 31st, 2025.

Mr. Raj Sachdeva, Manager of HCL Infosystems Ltd, commenting on the results' said, "*In FY 25, the management of the Company continued to focus on actions that can help reduce future operational losses, expedite deliverables of existing projects and recovery of receivables that are long overdue from customers through arbitration proceedings.*"

Company Update

As mentioned earlier, our business continued to face delays in certain customers' acceptance and sign-offs on project completion resulting in delays in recovering receivables.

During the year, two of our Power Projects were operationally concluded and handed over to the customers. However, due to pending claims and unresolved commercial matters for both the projects, we are currently under arbitration.

Due to multiple legal proceedings and legacy issues, significant effort and cost are being incurred on compliance, legal and legacy matters. Consequently, the Company continues to incur higher expenses towards legal cost along with other operational costs including manpower expenses, thereby contributing to the operational losses reflected in the financials.

In FY 25, the Company incurred legal expenses of Rs. 2,194.65 Lakhs towards ongoing litigations and legacy issues, and made a provision of Rs. 525.99 Lakhs for unutilized GST input tax credit. It also continued

to incur significant costs related to project execution, compliance with regulatory obligations as a listed entity, and maintenance of internal financial controls. As a result, the Company anticipates limited business opportunities in the near term.

During the year, favorable arbitration awards (including interest) amounting to Rs. 16,386 Lakhs (approx.) were received against three customers. The counter claims worth Rs. 27,735 Lakhs filed by the customers against the Company have also been disallowed by the arbitrators. While these customers have right to appeal, two of them have chosen to contest the awards and one customer waived its right to appeal and remitted the full amount of Rs. 418 Lakhs during the year.

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

Retirement of Director

Ms. Ritu Arora, Independent and non-executive Director, retired upon completion of her second term on 5th April 2025. As per the listing regulations, the Company is required to fill this vacancy to maintain the minimum number of directors as mentioned in regulation 17 (1)(c) of listing regulation.

Appointment of new Director

To fill the casual vacancy and ensure compliance with the minimum board composition requirements under 17(1)(c) of Listing Regulation, the Board of Directors, at their meeting held on 7th February 2025, appointed Ms. Rita Gupta as an Additional Non-Executive Director, liable to retire by rotation.

Re-appointment of Director

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

Borrowing Position as on 31st Mar'25

1. There are no external loans. However, there is interest free unsecured loan of Rs. 35,500.00 Lakhs from promoter company, HCL Corporation Private Limited.
2. The current utilisation of Non-fund based limits is Rs. 20,372.47 Lakhs on account of Bank Guarantees.

Divestment of Property

As part of the Company's ongoing property monetization plan, which involves phased manner disposal of Company-owned properties, one property was sold during the current year for a total consideration of Rs. 635 Lakhs.

Tax refund

Total tax refund received during the current financial year is Rs 1,278.09 Lakhs.

About HCL Infosystems

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

Media Contact Information	
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