

# Directors' Report and Financial Performance

<b>Directors' Report</b>	<b>121</b>
<b>Corporate Governance Report</b>	<b>148</b>
<b>Business Responsibility and Sustainability Report</b>	<b>178</b>
<b>Standalone Financial Statements</b>	<b>210</b>
<b>Consolidated Financial Statements</b>	<b>274</b>
<b>Statement under Section 129</b>	<b>350</b>



## DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting the **Thirty-First Directors' Report** of HCL Technologies Limited ("HCLTech" or the "Company") together with the Audited Financial Statements for the Financial Year ("FY") ended March 31, 2023.

### 1. FINANCIAL RESULTS

**Key highlights of the financial results of your Company prepared as per the Indian Accounting Standards ("Ind AS") for the financial year ended March 31, 2023 are as under:**

(₹ in crores)

Particulars	Consolidated		Standalone	
	FY ended		FY ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue from operations	1,01,456	85,651	46,276	40,638
Other income	1,358	1,067	1,031	880
<b>Total Income</b>	<b>1,02,814</b>	<b>86,718</b>	<b>47,307</b>	<b>41,518</b>
<b>Total Expenses</b>	<b>83,326</b>	<b>69,766</b>	<b>32,591</b>	<b>28,250</b>
<b>Profit before tax</b>	<b>19,488</b>	<b>16,951</b>	<b>14,716</b>	<b>13,268</b>
Tax Expense	4,643	3,428	3,257	2,394
<b>Profit for the year</b>	<b>14,845</b>	<b>13,523</b>	<b>11,459</b>	<b>10,874</b>
Other comprehensive income	1,301	757	(259)	277
<b>Total comprehensive income for the year</b>	<b>16,146</b>	<b>14,280</b>	<b>11,200</b>	<b>11,151</b>
Earnings per share of ₹2 each				
Basic (in ₹)	54.85	49.77	42.32	40.10
Diluted (in ₹)	54.79	49.77	42.27	40.09

### 2. BUSINESS OVERVIEW AND STATE OF AFFAIRS

The Company is committed in bringing together the best of technology and its people to empower enterprises and supercharge their digital transformation journeys. The Company has a robust ecosystem of strategic partners with access to best-in-class technologies and has created a global footprint of cutting-edge innovation labs. These combined with the global delivery capabilities allow the Company to help clients to stay ahead of the curve. The Company's commitment to innovation excellence is demonstrated in its leadership positioning in all the six Gartner IT Services Magic Quadrants.

The Company's differentiated portfolio across IT and Business Services ("ITBS"), Engineering and R&D Services ("ERS"), and Products and Platforms ("P&P") serves clients across all major industry verticals including Financial Services, Manufacturing, Life Sciences & Healthcare, Technology & Services, Telecom & Media, Retail & CPG, and Public Services.

The Company has rolled out a refreshed brand identity with a new 'HCLTech' logo and a distinct brand positioning 'Supercharging Progress' to reflect its commitment to clients, people, communities and the planet. The new 'HCLTech' brand and logo is at the heart of the Company's global go-to-market

strategy and drives the new Employee Value Proposition ("EVP") – 'Find Your Spark'.

In a digital-first world driven by technologies like 5G, AI and metaverse, the Company is well positioned to leverage the growing demand for technology services and products.

On a consolidated basis, the Company's revenue from operations for the financial year under review was ₹1,01,456 crores, as against ₹85,651 crores for the previous financial year. The profit for the financial year under review was ₹14,845 crores, as against ₹13,523 crores for the previous financial year.

On a standalone basis, the Company's revenue from operations for the financial year under review was ₹46,276 crores, as against ₹40,638 crores for the previous financial year. The profit for the financial year under review was ₹11,459 crores, as against ₹10,874 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 2022-23.

### 3. DIVIDEND

The Board of Directors has declared the following interim dividends that were paid during the financial year under review:

S. No.	Dividend declared during FY 2022-23	Date of declaration	Rate of Dividend per Share (face value of ₹2 each)	Dividend amount* (₹ in crores)
1	1 <sup>st</sup> Interim Dividend	April 21, 2022	18.00	4,873
2	2 <sup>nd</sup> Interim Dividend	July 12, 2022	10.00	2,707
3	3 <sup>rd</sup> Interim Dividend	October 12, 2022	10.00	2,707
4	4 <sup>th</sup> Interim Dividend	January 12, 2023	10.00	2,707
			<b>Total</b>	<b>12,994</b>

**Note:** \*The dividend amount shown is the gross amount before deduction of tax at source by the Company. Total tax deducted at source was approx. ₹1,236 crores.

The financial results for the quarter and financial year ended March 31, 2023 were approved by the Board of Directors ("Board") in its meeting held on April 19-20, 2023. In the said meeting, the Board declared an interim dividend of ₹18/- per share for FY 2023-24. The Board did not recommend final dividend for the financial year ended March 31, 2023.

### 4. TRANSFER TO RESERVES

The closing balance of the retained earnings of the Company, on a standalone basis, as on March 31, 2023, after all appropriations and adjustments was ₹36,490 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 2022-23.

### 5. SHARE CAPITAL

During the financial year under review, the Company has not issued any equity shares. As on March 31, 2023, the Authorised share capital of the Company was ₹603,40,00,000/- divided into 301,70,00,000 equity shares of face value of ₹2 each.

The Issued, Subscribed and Paid-up equity share capital of the Company as on March 31, 2023 was ₹542,73,30,192/- divided into 271,36,65,096 equity shares of face value of ₹2 each.

### 6. BUY BACK OF 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 had issued USD 500 million fixed rate, senior secured 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 aggregate potential liability under the guarantee was capped at USD 525 million which was 105% of the total aggregate principal amount of the Notes.

During FY 2022-23, HCL America Inc. through cash tender offer bought back its Notes of the principal amount of USD 247.793 million. Post this buyback, the aggregate principal amount of Notes that remain outstanding are USD 252.207 million. Accordingly, the Company's aggregate potential liability for the Notes has been reduced to 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 (the "Listing Regulations"), is attached and form part of the Annual Report of the Company for FY 2022-23.

### 8. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

As on March 31, 2023, the Company has 122 subsidiaries and 6 associate companies within the meaning of Sections 2(87) and 2(6) of the Companies Act, 2013 ("Act") respectively. During the financial year under review, there has been no material change in the nature of business of the subsidiaries.

#### Incorporation of new Subsidiary during the financial year under review

HCL Technologies Jigani Limited was incorporated in India under the Act.

#### Acquisitions done during the financial year under review

- i) Starschema Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság (Starchema Kft.)

The Company's step-down wholly owned subsidiary, HCL Technologies Starschema Kft. (formerly known as HCL Hungary Kft.) acquired 100% stake in Starschema Kft., a limited liability company incorporated in Hungary. Starschema Kft. is one of the leading data engineering services firms in Eastern Europe with delivery presence in Hungary and some part of the United States. Pursuant to this acquisition, Starschema Kft. and all its subsidiaries have become the step-down wholly owned subsidiaries of the Company with effect from April 2, 2022, being the date of completion of the acquisition.

- ii) Confinale AG

The Company's step-down wholly owned subsidiary, HCL Technologies UK Limited, acquired 100% stake in Confinale AG, a Swiss digital banking and wealth management consulting company. Its primary business is to implement wealth management solutions using Avaloq platform and proprietary add-on products. It is focused on technology services in certain specialized areas in the banking sector. The entire share capital of Confinale AG was earlier held by Manzina Tech GmbH. HCL Technologies UK Limited acquired 100% stake in Manzina Tech GmbH. Pursuant to this acquisition, Manzina Tech GmbH and all its subsidiaries have become the step-down wholly owned subsidiaries of the Company with effect from May 31, 2022, being the date of completion of the acquisition.

iii) Quest Informatics Private Limited

The Company's wholly owned subsidiary, Sankalp Semiconductor Private Limited, acquired 100% stake in Quest Informatics Private Limited ("Quest"), a company incorporated in India. Quest is an after-market digital transformation company catering the automotive and construction equipment industries in the after-market ERP space with their products and professional services. Pursuant to this acquisition, Quest has become a step-down wholly owned subsidiary of the Company with effect from July 12, 2022, being the date of completion of the acquisition.

Subsidiaries merged / closed during the financial year under review

The Company has subsidiaries in various countries. The Company's endeavour is to achieve organisational efficiency by optimising resources and managing costs. 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 during FY 2022-23:

- i) Point to Point Limited (incorporated in United Kingdom) was voluntarily dissolved on April 5, 2022.
- ii) Axon Solutions Pty. Limited (incorporated in New South Wales, Australia) was liquidated on June 11, 2022.
- iii) Point to Point Products Limited (incorporated in United Kingdom) was voluntarily dissolved on June 21, 2022.
- iv) HCL Technologies SEP Holdings Inc. (incorporated in Delaware, USA) was merged with and into HCL America Inc. (incorporated in California, USA) w.e.f. September 1, 2022.
- v) CeleritiFintech Services Italy S.R.L. (incorporated in Milano, Italy) was liquidated on October 17, 2022.
- vi) Sankalp USA, Inc. (incorporated in California, USA) was voluntarily dissolved on December 12, 2022.
- vii) Actian Netherlands BV (incorporated in Amsterdam, The Netherlands) was liquidated on December 28, 2022.
- viii) Starchema Kft. (incorporated in Budapest, Hungary) was merged with and into HCL Technologies Starschema Kft. (formerly known as HCL Hungary Kft. and incorporated in Budapest, Hungary) w.e.f. December 31, 2022.

Financial Statement of the Subsidiaries

As per the first proviso to 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 2022-23.

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 2022-23 would be available on the website of the Company at <https://www.hcltech.com/investors/results-reports>.

The financial statements in respect of the subsidiaries for FY 2022-23 would be available at the Company's website at <https://www.hcltech.com/investors/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

The composition of the Board of Directors is in accordance with the provisions of Section 149 of the Act and Regulation 17 of the Listing Regulations, with an optimum combination of Executive Director, Non-Executive Non-Independent Directors, Independent Directors and Women Directors.

Details of the composition of the Board of Directors, 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, five meetings of the Board of Directors were held. The details of the meetings are provided in the Corporate Governance Report.

## 12. BOARD COMMITTEES

The Company has the following Board Committees:

- i) Audit Committee
- ii) Nomination and Remuneration Committee
- iii) Stakeholders' Relationship Committee
- iv) Risk Management Committee
- v) Corporate Social Responsibility Committee
- vi) Finance Committee
- vii) ESG & Diversity Equity Inclusion 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 of Directors / 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 (ICAI Firm Registration No. 101248W/W-100022) were appointed as the Statutory Auditors of the Company in the Twenty-Seventh Annual General Meeting ("AGM") of the Company held on

August 6, 2019 for a term of five consecutive years from the conclusion of the said AGM till the conclusion of the Thirty Second AGM to be held in the year 2024.

There are no qualifications, reservations, adverse remarks or disclaimer made by M/s. B S R & Co. LLP, Statutory Auditors in their report for FY 2022-23. The Statutory Auditor have not reported any incident of fraud to the Audit Committee of the Company during the financial year under review.

## 15. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act, M/s. Chandrasekaran Associates, Practising Company Secretaries were appointed as the Secretarial Auditors of the Company for FY 2022-23. 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 Auditors have 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(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.

## 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 2022-23 is available on the website of the Company at <https://www.hcltech.com/investors/results-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 takes into account 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 2022-23.

## 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 also has in place a 'Related Party Transaction Policy', which is available on the website of the Company at <https://www.hcltech.com/investors/governance-policies/rptpolicy.pdf>.

## 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 of Directors, and includes guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

The composition of CSR Committee, a brief outline of the CSR Policy of the Company, the amount that the Company was required to spend in terms of the provisions of the Act, amount that was actually spent and reasons for not spending the prescribed amount and details of capital assets, if any, 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 of Directors for FY 2023-24 are available on the website of the Company at <https://www.hcltech.com/investors/corporate-social-responsibility-hcl>.

## 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/investors/governance-policies/ddppdf>.

## 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 77,832 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/investors/iepf-details>.

## 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. CORPORATE GOVERNANCE REPORT

The Corporate Governance Report in terms of Regulation 34(3) of the Listing Regulations, along with the Statutory Auditors' certificate is attached and shall form part of the Annual Report for FY 2022-23.

## 29. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report in terms of Regulation 34(2) of the Listing Regulations is attached and forms part of Annual Report for FY 2022-23.

## 30. 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/investors/governance-policies/fair-disclosure-codepdf>.

## 31. 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. Some of the key honors received by the Company during the financial year includes:

### Corporate Recognitions

- i) HCLTech has won National CSR Award 2020 under Slum Area Development category instituted by the Ministry of Corporate Affairs, Government of India.
- ii) HCLTech was rated as an ESG 'Leader' in the software and services industry by MSCI.
- iii) HCLTech was included in S&P Global Sustainability Yearbook 2023 as an 'Industry Mover' for demonstrating sustainable business practices.
- iv) HCLTech was included in Sustainalytics' 2023 list of ESG Top-Rated Companies in the software and services industry segment and in the Asia Pacific Region.
- v) HCLTech won Healthy Workplaces Award 2022 from Arogya World.

### Executive Recognitions

- i) The US-India Strategic Partnership Forum ("USISPF"), a bilateral non-profit organization focused on building strategic relationships between India and the U.S., bestowed the Lifetime Achievement Award to Mr. Shiv Nadar for his contribution to the technology industry and his philanthropic initiatives to transform lives through access to educational opportunities.
- ii) HCLTech Founder and Chairman Emeritus Mr. Shiv Nadar was honored with the Lifetime Achievement Award at The Economic Times Awards for Corporate Excellence for his contributions as a pioneering entrepreneur and philanthropist.
- iii) HCLTech Chairperson Ms. Roshni Nadar Malhotra was honored with the Business Today Most Powerful Women in Business Award 2023.
- iv) HCLTech Chairperson Ms. Roshni Nadar Malhotra was honored with Fortune India's Most Powerful Women Award 2022.
- v) HCLTech CFO Mr. Prateek Aggarwal won the CII Leading CFO of the year 2022 Award in the IT & ITES category.

### Employer Recognitions

- i) HCLTech was certified as a great place to work in the U.S
- ii) HCLTech won Bronze Award at the Economic Times Human Capital Awards for Power of One employee volunteering initiative.
- iii) HCLTech received 'Regional Top Employer certification' in 25 countries under the Top Employer 2023 Program. Of these 25 countries, the Company was ranked number one in 18 countries. HCLTech was also recognized as a Top Employer in three key geographies: North America, Europe and Asia Pacific.

- iv) HCLTech won Best Places to Work in India Awards 2022 in Mega Companies category in Ambition Box.
- v) HCLTech won multiple awards from Brandon Hall in the following categories:
  - Two gold, two silver and one bronze awards in the Diversity, Equity & Inclusion category.
  - Two gold awards in the Human Resources category.
  - Three gold and one bronze awards in the Learning and Development category.
  - Two gold, one silver and one bronze awards in the Talent Management category.

#### **Diversity & Inclusion Recognitions**

- i) HCLTech was included in 100 Best Companies for Women in India list and was recognized as Exemplar of Inclusion in the Most Inclusive Companies Index by Avtar & Seramount.
- ii) HCLTech was included in:
  - Seramount's Global Inclusion Index.
  - Bloomberg Gender Equality Index.
  - Pride Circle India's India Workplace Equality Index.
- iii) HCLTech was recognized as the Diverse Company for 2022 at the Global DEI Summit 5.0, organized by the Times of India and Ask Insights.

#### **Business Recognitions**

- i) HCLTech won Google Cloud Global Breakthrough Partner of the Year 2021 Award.
- ii) HCLTech won Dell Technologies Global Excellence in Expansion Award.
- iii) HCLTech won VMware 2022 Partner Value Award.
- iv) HCLTech awarded in the Outstanding Cloud Offering category at the Digital Bankers Middle East & Africa Retail Banking Innovation Awards 2021.
- v) HCLTech DRYiCE™ won the 'LogicMonitor GSI Excellence Award' at LM Elevate 2022 conference.
- vi) HCLTech won 'Outstanding Value' award at the 2022 Honda NAIP Supplier Conference.
- vii) HCLTech 'SIIA CODiE' (The Software & Information Industry Association) won awards 2022 for 'Best Customer Service Solution' and 'Product Management team of the Year'.
- viii) HCLTech was recognized as 'Emerging GSI of the year 2021': India, South Korea and Asia region by Proof point.
- ix) HCLTech won American Honda of the Year Award for outstanding value for its work in PLM managed services.
- x) HCLTech was recognized as the System Integrator Certification Partner of the Year at the MongoDB Partner.
- (xi) HCLTech named a Titanium member, the highest level of recognition, at the Intel® Network Builders Winners' Circle Awards for the second consecutive year.

#### **Analysts Recognitions**

- i) HCLTech was positioned as a Leader in 2022 Gartner® Magic Quadrant™ for Custom Software Development Services, worldwide\*.
- ii) HCLTech was positioned as a Leader in 2022 Gartner® Magic Quadrant™ for Public Cloud IT Transformation Services\*.
- iii) HCLTech was positioned as a Leader in 2023 Gartner® Magic Quadrant™ for Outsourced Digital Workplace Services\*.
- iv) HCLTech was positioned as a Leader in 2022 Gartner® Magic Quadrant™ for Data Center Outsourcing and Hybrid Infrastructure Managed Services, worldwide\*.
- v) HCLTech was positioned as a Leader in 2022 Gartner® Magic Quadrant™ for Managed Mobility Services, Global\*.
- vi) HCLTech was positioned as a Leader in 2022 Gartner® Magic Quadrant™ for Managed Network Services\*.
- vii) HCLTech was positioned as a Leader in:
  - Forrester Wave™: Multi-cloud Managed Services Providers, Q1 2023.
  - Forrester Wave™: Cloud Migration and Managed Service Partners in Asia Pacific, Quarter 4 2022.
  - IDC MarketScape: Worldwide Adobe Experience Cloud Professional Services 2022 Vendor Assessment (Doc #US47542221, June 2022).
  - IDC MarketScape: Worldwide SAP Implementation Services 2022 Vendor Assessment (Doc #US48395822, June 2022).
  - IDC MarketScape: Worldwide Managed Cloud Security Services in the Multicloud Era 2022 Vendor Assessment (Doc #US48761022, September 2022).
  - IDC MarketScape: Worldwide Industry Cloud Professional Services 2022 Vendor Assessment (Doc #US48187622, September 2022).
  - IDC MarketScape: Asia/Pacific Managed Security Services 2022 Vendor Assessment (Doc #AP49101222, November 2022).
  - IDC MarketScape: Worldwide Manufacturing Intelligence Transformation Strategic Consulting 2023 Vendor Assessment (Doc # US50247922, February 2023).
  - Avasant's Digital Masters 2022 RadarView™.
  - Everest Group's Software Product Engineering Services PEAK Matrix® Assessment 2023.
  - ISG Provider Lens™ Retail Services - Platform Migration Services - U.S., Europe and U.K. 2022.
  - Star Performer in Everest Group's Healthcare Provider Digital Services PEAK Matrix® Assessment 2023.
  - Everest Group's Healthcare Payer Digital Services PEAK Matrix® Assessment 2022.

*\*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 are 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 of fact. Gartner disclaims all warranties, expressed or implied, with respect to this research, 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.*

## 32. SUSTAINABILITY

### "Our guiding philosophy – ACT, PACT, IMPACT"

**ACT** - We at HCLTech understand that impact starts with us. We act in the most responsible and sustainable manner. We ensure we use every resource efficiently to garner the maximum value.

**PACT** - Working together for a sustainable future, hand in hand with our clients, partners, communities and other stakeholders.

**IMPACT** - We focus on creating sustainable impact through all our initiatives and activities.

The Company has made demonstrable progress on its sustainability commitments during the year under review and some of them are as follows:

- Leading ESG ratings like MSCI, Sustainalytics, S&P etc. have recognized the Company as a leader in consideration of its commitments and progress;
- More than 10,000 hours of training completed by employees at Company's Sustainability School since its launch in November 2022;
- 12% increase in renewable energy consumption as compared to last year;
- The Company's flagship sustainability solution Net-Zero Intelligent Operations (NIO) won the 2023 IOT Evolution, Industrial IOT Product of the year award; and
- The Company has impacted over 5.5 million lives through its CSR arm, the HCL Foundation, and helped over 12,000 Persons with Disability of which 37% were female beneficiaries. It has also planted over 1.45 million saplings, rejuvenated 150 water bodies, and recharged 26X more water than it uses.

The progress against the goals & targets that the Company has laid out across the dimensions of ESG shall be reported in the Sustainability Report of HCLTech for FY 2022-23, which shall be published separately.

In true spirit of the PACT, the Company with its stakeholders, continues to get involved in Industry coalitions to create impact of scale. The Company continues to be a signatory to the UN Global Compact and the Climate Pledge. During the year, the Company endorsed the CEO Water mandate and became the first Indian company to be a member of the Water Resilience Coalition ("WRC"). WRC aims to elevate the mounting crisis of global water stress and its connection to climate change to the top of the corporate agenda and to preserve the world's fresh water resources through collective action in water stressed basins and through ambitious and quantifiable resilience goals.

Guided by the ESG & Diversity Equity Inclusion Committee of the Board, the Company has also strengthened its ESG governance framework by bringing in efficient controls to ensure that necessary action is taken on all ESG risks and opportunities identified across the 12 material topics.

## 33. ORGANIZATION EFFECTIVENESS

### Human Resources

The Company's human resource processes & practices are aligned to bring together the best of technology and the people to supercharge progress. What truly distinguishes the Company is its culture of innovation, empowerment, and entrepreneurship, backed by a strong focus on employee well-being and development.

### Employee Strength and Expansion

The global team of the Company is its biggest strength and enables the Company to deliver differentiated service experience to the Company's clients. The Company and its subsidiaries have attained an impressive employee strength of 2,25,944 and continues to build further.

The Company prides itself in employing people from different geographies and nationalities, creating a unique fabric of values and traditions. As on March 31, 2023, the Company employed resources from 161 nationalities and women represented 29.2% of the global workforce.

The Company has more than 30 years of history in the United States, with a nationwide workforce of around 24,600+ employees and multiple global delivery centres and innovation labs. The Company's strong collaboration with clients, alliance partners, government and academia, is a testimony of the Company's commitment to the region. The Company's growth can be attributed to best-in-class tech solutions, its embracement of local talent, U.S. government support, collaboration with many U.S. universities and other academic institutions, and its continuing commitment to investing in local ecosystems. The Company's emphasis and commitment to talent localization continues. In the United States, the Company's localization stands at 73.1%.

### Talent Acquisition

During FY 2022-23, the people strength of the Company has increased by 8.20%. This has been aided by the Company's talent supply chain strategy including entry level hires, expanding to new vista and nearshore locations where the Company access a wider talent pool, increasing the depth of its talent sourcing efforts and the ability to train and upskill talent. The Company has leveraged digital technologies to enhance the quality and experience of its talent acquisition programs.



Hiring freshers is a big component of the Company's talent strategy, and the Company is looking ambitiously at onboarding higher number of freshers each year. The Company has hired 26,734 freshers during the last financial year.

The Company's unique TechBee model onboards class XII passouts (equivalent to senior high school in the USA) after testing them for aptitude. The Company has created a framework for this talent to graduate as well as become employable. Being a pioneer of this model, the Company has a cultural head start in engaging with Gen Z.

### **Talent Development**

The Company's Talent Development Centre of Excellence ("CoE") continues to focus on creating a culture of continuous learning through its business focused learning solutions, contributing to the vision of building a truly global organization.

The Company has launched its new Employee Value Proposition ("EVP") – 'Find Your Spark'. Built on the broad tenets of opportunity, respect, and trusted employment, the Company's EVP emphasizes its commitment to help both current and prospective employees maximize their career potential and ambitions.

The Company's conversations with Gen Z has pushed the envelope for a more transparent rules of the game on career progression and skilling. The Company has democratized learning where employees can self enroll for these programs to acquire niche skills with a guarantee to be deployed in the next skill once certified ready. Through this, the Company is bringing personalization, alignment to aspirations and career certainty. All these are attractive value propositions for Gen Z talent. The Company will be creating over the next two years a high degree of visibility to career readiness and progression based on business priorities and modelling and analytics of career trajectories.

The Company has launched a new skilling & certification initiative to meet the career development aspirations of its employees. During FY 2022-23, 1,51,882 employees availed 9.41 million hours of training for enhancing their current skills and learning new skills. 70,266 unique employees were also trained in digital skills during this period.

### **Diversity, Equity and Inclusion ("DEI")**

The Company strives to continuously benchmark itself in the DEI space. The Company has diverse culture as it is present in 60 Countries with 161 nationalities. The Company's current gender diversity ratio stands at 29.2%

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

- i) Feminspiration - It is a platform where women leaders from the client company are invited to address HCLTechies. This forum has been launched to help HCLTechies gain insight into successful leadership as well as understand perspectives on gender matters.
- ii) I Motivate - 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.

- iii) 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.
- iv) ASCEND - An initiative which focusses 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 in the Company to program participants.
- v) STEPPING STONES - A global program which aims to pace up the growth of mid-level women managers in the leadership positions. The program is designed for mid-level managers to fuel their leadership capabilities.
- vi) Prelude - 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.
- vii) Momtastic - An initiative launched to help all the 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.
- viii) HCLTech Second Career Return Program - An opportunity provided through returnship program.
- ix) HCLTech Career Program for Women - Through this program, women from diverse backgrounds are trained and hired for entry level jobs.

### **Employee Resource Groups ("ERG")**

- i) 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 members vision is to make the world a safer place.
- ii) Ability Connect Network - A community for those who have a disability, support a colleague with a disability, and any employee that wants to help raise awareness and champion support for impacted individuals.
- iii) 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.
- iv) 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.
- v) Multicultural Employee Resource Group ("MERG") - 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.

## **Disability Inclusion Policy**

Disability Inclusion 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.

## **Programmes for Employees with Disabilities**

The Company organizes various programmes / events for the PwDs, some of them are as follows:

- i) Self-Voluntary Identification - To promote equality of opportunity, each employee must be given the opportunity to self-identify any disabilities. The Company provides an opportunity to voluntary self-identify oneself for any disability.
- ii) Ability Connect ERG - It is an employee led resource group to facilitate an environment that promotes awareness, equality and helps advance employees by suggesting policies and programs to support inclusion and growth, address disability related topics and supports in enabling an accessible workplace. The network has been launched in India to all self-identified PwD employees and their allies.
- iii) PwD (International Day of Persons with Disabilities (IDPD) events):
  - a) Disability Awareness Kiosk - Raising awareness to build a more inclusive work place online quiz on including people with disabilities.
  - b) Building inclusivity through dialogue - A guest speaker event where they share awareness and sensitized employees to how they can come together to build transformative solutions.
  - c) Doodling event Workshop - A neurodiversity awareness event organized by an autistic artist.
  - d) Campus Event - Two NGO schools raise awareness about IDPD in our Noida campus. The idea is to spread inclusion and diversity in the workplace while dancing together in celebration.

## **34. 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.

## **35. 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.

## **36. EMPLOYEE STOCK OPTION PLAN**

The Company has adopted and implemented 'HCL Technologies Limited - Restricted Stock Unit Plan 2021' ("RSU Plan") for granting Restricted Stock units ("RSUs") to the employees of the Company, its subsidiary & associate company(ies).

In terms of the RSU Plan, 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 or vested.

The RSU Plan has been implemented through a trust mechanism by way of secondary acquisition of equity shares of the Company by Trust for transferring the same to the employees on exercise of the vested RSUs. Accordingly, no fresh shares will be issued by the Company either to the Trust or the RSUs grantees.

RSU Plan 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 RSU Plan was approved by the shareholders of the Company on November 28, 2021.

The details of RSU Plan 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>.

## **37. 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/investors/governance-policies/whistleblowerpolicy.pdf> The details of the Whistleblower Policy are provided in the Corporate Governance Report.

## **38. 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.

## **39. 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 and the complaints are given under

Corporate Governance Report and the Business Responsibility and Sustainability Report respectively.

#### 40. 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:

S. No.	Name of the Director	Ratio to median remuneration of employees
<b>Executive Director</b>		
1	Mr. C. Vijayakumar, CEO & Managing Director	253.35
<b>Non-Executive Directors</b>		
2	Ms. Roshni Nadar Malhotra	9.36
3	Mr. Deepak Kapoor	8.02
4	Mr. S. Madhavan	9.98
5	Dr. Mohan Chellappa	11.21
6	Ms. Nishi Vasudeva	8.07
7	Ms. Robin Ann Abrams	12.92
8	Dr. Sosale Shankara Sastry	9.74
9	Mr. Shikhar Malhotra	7.45
10	Mr. R. Srinivasan	12.01
11	Mr. Simon John England	10.85
12	Mr. Thomas Sieber	9.95
13	Ms. Vanitha Narayanan	10.08

**Note:** 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. The ratio of the median remuneration has been calculated with reference to employees of HCL Technologies Limited on standalone basis.

##### B. The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

###### a) 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	-
2	Mr. Deepak Kapoor	-
3	Mr. S. Madhavan	1
4	Dr. Mohan Chellappa	31
5	Ms. Nishi Vasudeva	-
6	Ms. Robin Ann Abrams	26
7	Dr. Sosale Shankara Sastry	37
8	Mr. Shikhar Malhotra	(9)
9	Mr. R. Srinivasan	29
10	Mr. Simon John England	45
11	Mr. Thomas Sieber	24
12	Ms. Vanitha Narayanan	-*

**Note:** \*Ms. Vanitha Narayanan was appointed as Non-Executive Independent Director during FY 2021-22 and hence, the said information is not comparable and not provided.

**b) 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 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	(79.05)	(13.86)
2	Mr. Prateek Aggarwal	Chief Financial Officer	(19.10)	1.49
3	Mr. Manish Anand	Company Secretary	4.84	5.77

**C. The percentage increase in the median remuneration of employees in the financial year:** 0.01%.

**D. The number of permanent employees on the rolls of Company:** There were 1,21,306 permanent employees on the rolls of the Company. In addition, the Company had 1,04,638 number of employees on the rolls of its subsidiaries.

**E. Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage 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 5.14%. For the managerial personnel (Executive Director, Non-Executive Directors, and Independent Directors), there is a decrease of 5.28% in the remuneration, on an aggregate basis, during this financial year compared to the previous financial year.

**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 Chief Executive Officer 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 metrics such as client satisfaction, ESG, Diversity, etc.

(i) the list of top ten employees of the Company in terms of the remuneration drawn in FY 2022-23;

(ii) 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

(iii) 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/investors/results-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.

**42. ACKNOWLEDGEMENTS**

The Board wishes to place on record its appreciation of the significant contributions made by the employees of the Company and its subsidiary & 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 20, 2023

**ROSHNI NADAR MALHOTRA**  
Chairperson  
DIN: 02346621

**41. 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:

# Annexure 1 to the Directors' Report

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2023

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, 2023 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, 2023 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 event has been 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.: 1428/2021

**Dr. S. Chandrasekaran**  
Senior Partner  
Membership No. FCS 1644  
Certificate of Practice No. 715  
UDIN: F001644E000137329

Date: April 19, 2023  
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

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. Where ever 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 is 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.: 1428/2021

**Dr. S. Chandrasekaran**  
Senior Partner  
Membership No. FCS 1644  
Certificate of Practice No. 715  
UDIN: F001644E000137329

Date: April 19, 2023  
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, 2023, 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, 2023, the material transactions 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
1	HCL Technologies Corporate Services Limited	United Kingdom
2	HCL America Inc.	United States of America
3	HCL Technologies UK Limited	United Kingdom
4	HCL Software Products Limited	India
5	HCL Technologies Sweden AB	Sweden
6	HCL Technologies Germany GmbH	Germany

#### 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

- HCLTech 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 HCLTech;
- 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.

During the financial year ended March 31, 2023, the value of the transactions that were undertaken with the following step-down wholly owned subsidiaries, being the related parties are as under:

S. No.	Name of the wholly owned step-down subsidiary	Amount of transaction (₹ in crores)
1	HCL Technologies Corporate Services Limited	13,401
2	HCL America Inc.	4,047
3	HCL Technologies UK Limited	2,427
4	HCL Software Products Limited	2,035
5	HCL Technologies Sweden AB	1,763
6	HCL Technologies Germany GmbH	1,167

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 20, 2023



## 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 under the Companies Act, 2013 and Rules made thereunder, and 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, 2023

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	2	2
2	Dr. Mohan Chellappa	Member	2	2
3	Mr. S. Madhavan	Member	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/investors/corporate-social-responsibility-hcl>.

#### 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

An independent Impact Assessment was undertaken for two projects (i) "Aflatoun"- Social and Financial Inclusion by implementing Agency - MeJol; and (ii) "iCARE" - Informed and Collaborative Action for Resilience of Ecosystems by implementing Agency - Foundation for Ecological Security.

Recognizing criticality of social and financial literacy among children in India, the Company supported MeJol to implement the project - Aflatoun Social and Financial Education in India. It was implemented from 2017-2021 in a total of 7 districts in 3 states of Jharkhand, Maharashtra and Uttar Pradesh with the key objectives of helping children examine and reflect on their identities as individuals and enhance their personal development, use participatory and active learning methodology and create a child-centred learning environment in schools, create awareness on child rights and responsibilities, inculcate habit of saving, responsible spending and appropriate utilization of natural and financial resources among children and to provide the scope of learning life skills such as self-awareness, empathy, critical thinking, creative thinking, problem solving and decision making. In the 4 years of implementation, the program positively impacted 72,000 students from these states of the country. Some of the key program outputs were it successfully trained teachers in the Aflatoun curriculum, set up Aflatoun clubs in 720 schools, initiated financial enterprises in all clubs and established banks in schools to help encourage savings among children. The impact assessment study revealed that the program was successful in achieving its objectives. Three of the most significant impacts observed as a result of direct association with the project were improving confidence of children, bringing a habit of saving among them and improving their school attendance.

Foundation for Ecological Security ("FES") with the support of HCL Foundation has implemented an action project named "Informed Collaborative Action for Resilience of Ecosystem (iCARE)" with an integrated and evidence based approach in 6 districts, spread over 5 states in India. The project aimed at improving local self governing capacities and creating new Institutions at the village levels for the management of common resources (Land, Water and Forest). The results of the current impact evaluation of the "iCARE" program of HCL Foundation is measured on three important program components namely 1) community and the institution building; 2) effective usage of ICT Tools; and 3) collaboration at block and the district level for better planning and implementation. The desired impact is primarily achieved through the effective utilization and channelizing different government funds (like MGNREGA) in ecological restoration to create new livelihood opportunities, increased access to various social security schemes through increased awareness and community level institutional strengthening. The study revealed MGNREGA has been utilized very well in the management of the commons be it, forest, water resources, etc. Therefore, man days of MGNREGA has increased significantly across all the landscapes.

The detailed impact assessment reports carried out by an independent agency are available on the website of the Company at <https://www.hcltech.com/investors/corporate-social-responsibility-hcl>

5. (a) Average net profit of the Company as per Section 135(5) - ₹ 11,903 crores  
 (b) Two percent of average net profit of the Company as per Section 135(5) - ₹ 238 crores  
 (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)] - ₹ 238 crores
6. (a) Amount spent on CSR Projects (both ongoing project and other than ongoing project) - ₹ 237.37 crores  
 (b) Amount spent in Administrative Overheads - ₹ 0.78 crores  
 (c) Amount spent on Impact Assessment, if applicable - ₹ 0.15 crores  
 (d) Total amount spent for the financial year [(a)+(b)+(c)] - ₹ 238.30 crores  
 (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
238.30	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)	238.00
(ii)	Total amount spent for the financial year	238.30
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.30
(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)] *	0.30

\*This excess spending is on account of interest earned on CSR Funds during FY 2022-23 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, 2023. 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 Ltd.  
 DIN: 02346621

Place: Noida (U.P.), India  
 Date: April 20, 2023

## 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 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 towards conservation of energy and water are described below:

1. **Renewable Energy Purchase** - 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 **17.57%** of its energy requirement to renewable sources which is equal to **49,663.78 MWh**. Out of this, **27,049.75 MWh** is for its facilities in India which includes **2,404.46 MWh** generated from onsite solar plant installations, and **22,614.03 MWh** for its Geo locations. This has enabled the Company to reduce carbon footprint by **24,623.55 tCO<sub>2</sub>e** (Tons of Carbon dioxide equivalent) out of which **21,909.38 tCO<sub>2</sub>e** in India and of **2,714.17 tCO<sub>2</sub>e** in Geo locations.
2. **High Side: Chiller Operational Performance Improvement** - Chiller performance improvement program has been enabled in all major facilities of the Company and effectiveness of cooling towers has improved with the help of fills replacement, temperature set point adjustment, condenser descaling and equipment performance measurement activities. This has enabled the Company to save **177.47 MWh** of energy and has helped to reduce **143.75 tCO<sub>2</sub>e** 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 **1,021.90 MWh** of energy and has helped to reduce **827.74 tCO<sub>2</sub>e** of emissions.

4. **Energy efficient Lighting and Control** - The Company extended its initiative to expand use of LED lightings in all the facilities including workspace, cafe / pantry, pathways, outdoor & basements, and operational control enhancement measures such as installation of motion sensors, daylight harvesting feature which resulted in optimum usage of lighting and energy saving. Energy savings accrued by these initiatives is **615.04 MWh** of absolute energy consumption thereby reducing **498.18 tCO<sub>2</sub>e** emissions.
5. **Effective Utilization of UPS** - On the basis of 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 **117.17 MWh** and emission reduction of **94.90 tCO<sub>2</sub>e**.
6. **Elevator & Sewage Treatment Plant ("STP") operation optimization** - Process improvement in the operation of Elevator & STP was implemented, such as revising elevator operating schedule during weekends & non-business hours and implementation of Dissolved Oxygen control in STP. Energy savings accrued by these initiatives is **26.63 MWh** of absolute energy consumption and has helped to reduce **21.57 tCO<sub>2</sub>e** emissions.
7. **Water Conservation** - The Company's focus on water conservation was strengthened by further investing towards sensor based taps, treated water for flushing, landscaping, soft water applications, rainwater harvesting, 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 **36,398.74 KL** of water.

A summary of the above-mentioned operational efficiency related interventions is tabulated as below: -

S. No.	Intervention Particulars	FY 2022-23 (MWh)	Carbon Footprint Reduction (tCO <sub>2</sub> e)	Investment (in ₹ Lakhs)
<b>Energy Related Interventions</b>				
1	Renewable Power Purchase (India)	27,049.75	21,909.38	
	Renewable Power Purchase (GEO)	22,614.03	2,714.17	
	<b>Total</b>	<b>49,663.78</b>	<b>24,623.55</b>	
<b>Energy Operational Related Interventions</b>				
2	Chiller Operational Performances Improvement	177.47	143.75	10.83
3	HVAC Operational Performances Improvement	1,021.90	827.74	165.67
4	Energy Efficient Lighting and Controls	615.04	498.18	74.86
5	Effective utilization of UPS	117.17	94.90	7.79
6	Elevator & STP Operation optimization	26.63	21.57	-
	<b>Total</b>	<b>1958.21</b>	<b>1586.14</b>	<b>259.15</b>
	<b>Grand Total</b>	<b>51,621.99</b>	<b>26,209.69</b>	<b>259.15</b>

**Conversion reference Grid Emission Factors** - CO<sub>2</sub> Baseline Database for the Indian Power Sector 2022 (V18.0). Weighted average emission factor of the Indian Grid taken in tCO<sub>2</sub>e/MWh.

S. No.	Intervention Particulars	HCL facility covered	FY 2022-23 (ML)	Investment (in ₹/Lakhs)
1	Sensor based water taps	Noida Sector 126, Bangalore Jigani, Chennai SEZ, Facilities in Rest of Chennai, Sadhya Infotech Park, Rest of NCR, Pune & Mumbai, Rest of Bangalore	2.91	16.06
2	Water efficient operational control	Nagpur Campus, Bangalore Jigani Campus, Chennai Ambattur - 5 & Pune facilities	25.63	5.98
3	Water reuse	Bangalore Jigani Campus, Lucknow Campus	7.86	2.57
<b>Grand Total</b>			<b>36.40</b>	<b>24.61</b>

## 8. **Initiatives and Best Practices**

### a) **Transport Sustainability through Electric Vehicles (Pilot Launch)**

During the financial year under review, electric vehicle pilot for employee transport service was successfully conducted in Bengaluru and Hyderabad. In FY 2023-2024, the Company plans to transition part of its transport fleet to electric vehicles as a part of Sustainability initiatives.

### 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. 96.47% (i.e., 12.84 million sq. ft) of this green building certified area, is rated with 'Platinum' or equivalent ratings, balance 3.53% is rated with 'Gold' or equivalent ratings'.

All HCLTech campus 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) **CDP'2022 Water Security Disclosure**

CDP's work with water security motivates companies to disclose and reduce their environmental impacts by using the power of investors and customers.

The Company participated in CDP – Water Security Disclosure Program for the first time in FY 2022-2023 and received rating of "B" which is Management category.

### d) **Supplier Engagement Rating Leader board - CDP**

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.

The Company is proud to have earned a place as a leading company on CDP's 2022 Supplier Engagement Leader Board, 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 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.

### e) **Cool roof with high SRI ("Solar Reflectance Index") coating in building terrace area**

The solar reflective coating property 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 7.03 MWh and has helped to reduce 5.7 tCO<sub>2</sub>e emissions.

### f) **EOL (End of life) replacements and Retrofits**

The Company has performed "End of Life" assessment for high end plant and machine equipment with an intent to replace / retrofit the inefficient equipment by adopting latest technology in terms of energy efficiency, monitoring and integration capability. Included in this assessment were HVAC High side, low side, UPS etc., Subsequently, orders have been issued for (a) UPS replacement with an investment of ₹ 766.72 Lakhs, resulting in energy savings of 1695MWh and emission reduction of 1346 tCO<sub>2</sub>e; and (b) replacement of conventional water-cooled chiller (R134a) by Magnetic bearing chillers (R1233z) in Noida campus with investment of ₹ 412 Lakhs. giving energy savings of 554 MWh and emission reduction of 473.3 tCO<sub>2</sub>e.

## **B) Technology Absorption, Adaptation and Innovation**

The Company's Digital Transformation focus has been in six priority areas listed below with an objective to leverage technologies to deliver enhanced Stakeholder engagement, improve organization agility and to enhance flexibility.

### **1. User Experience**

To provide an enhanced digital experience for the workforce with a seamless, end user centric & secure IT landscape anytime, anywhere and on any device. The new experience is being crafted with a new Digital Experience Platform for role based personalization, omnichannel multilingual experience and one click transactions. An example is the **New Joiner experience** transformed to ensure productivity on day one including access to organization's assets to learn and contribute.

## 2. Process Simplification

The objective is to simplify myriad of complex internal processes in the Company's process centric legacy systems providing services consumed by the users through implementing user centric systems. The strategy is to transform using industry proven packages and to leverage technology to strengthen integration. These have led to higher employee productivity and one such initiative is the **revamp of Internal technologies for the Hire to Retire processes**.

## 3. Modernization

The objective is to adopt Modern system building using Technology to unlock higher performance, agility, scalability, availability with lower effort with multi-cloud adoption, leverage cloud native features, low code platform use and AI / ML capabilities. The Company is focused on building an **adaptive and resilient modern workplace** which is future ready to meet the traditional, transformational, and future needs of employees and businesses with the help of Robust Infrastructure, Hybrid Cloud Solutions and Orchestration Solutions.

## 4. Optimization and Automation

To increase focus on Automation for self healing and self help and to leverage technology to drive down operating costs using Bots, RPA and software defined services for cycle time reduction for the services.

The Company continues to invest in **ESG goals** to ensure an **energy efficient IT infrastructure**. The Company is focused on achieving sustainable and improved Power Usage Efficiency ("PUE") and Footprint Reduction in HCLTech Captive Data Centers.

The Company chooses its COLO Data Centre partners, Cloud providers and Equipment suppliers based on their sustainability reports, certifications, initiatives, and targets focusing on HCLTech's goals of achieving net Carbon Zero emission.

## 5. Advanced Analytics

Enabling **Advanced analytics** related to business performance by enabling insights through **predictive analytics** and **AI / ML**, providing **self-service reporting** to empower users, and using multi-dimension data models, data warehousing and powerful Business Intelligence tools for visualization.

## 6. Next Generation Security

The objective is to provide Intel-driven, borderless and integrated business security and Cyber resilience. The Company continuously monitors & adapts its cybersecurity program in response to the internal and external threat landscape and matures its cybersecurity capabilities across various domains in accordance with the NIST framework. The Company has added behavioral analytics tools into its detection systems that help to identify and respond to threats.

The Company's **resilient IT Security system** minimizes threats and prevents attacks through regular and stringent vulnerability assessments and remediations while building a strong culture of Information Security.

## C) Research and Development ("R&D")

### I) **Specific areas in which R&D was carried out**

#### 1. **Data Engineering and Artificial Intelligence ("AI")**

The Company's data engineering comprises a complete suite of services and solutions that accelerate the modernization of data platforms, enable Industry 4.0 and provide a data based foundation for digital transformation initiatives.

- a) Graviton: This modern data platform acceleration suite enables enterprises to efficiently build, deploy, monitor and maintain an agile and cost efficient modern data platform.
- b) Generative AI - ChatGPT for Code: The Company has started experimenting with generative AI for synthetic code generation concept leveraging industry leading language AI models like ChatGPT, Open AI Codex, GitHub CoPilot and Amazon CodeWhisperer.
- c) Responsible AI - TranSecAI, Explainability: Transparent Secured Artificial Intelligence (TranSecAI) is an end-to-end explainable and secured AI enabled solution to build trust in the predictions of AI models.
- d) Unlocking Product Insights: By utilizing AI / Machine Learning ("ML") techniques to analyze product telemetry data, companies can gain insights on the frequently and most used features, ways to improve product performance and user experience, user feedback from online forums, future feature priorities, and identify redundant features / products.
- e) AI Lifecycle Management: AION (Automated Intelligence ON) is an AI lifecycle management platform that uses a Low-Code / No-Code approach to accelerate AI / ML model development and deployment to production.

#### **Benefits Derived**

- End-to-end consulting services and digital engineering pathways that help define data strategy and develop modernization roadmap.
- Use of AI and ML to analyze large and complex data assets and make data driven decisions more quickly and effectively via data visualization and autonomous analytics.

#### 2. **Metaverse - AR / VR / XR**

The metaverse is still in the early stages of innovation, yet it is creating quite a buzz across industries with its potential use cases for B2C and B2B brands, as well as consumers. The Company seeks to stay ahead of this trend by leveraging AR, VR and XR to create impactful, immersive experiences.

XTERN Service Delivery Platform ("SDP") is a cloud-integrated rapid XR use-case deployment platform

- XTERN SDP helps develop, publish and deliver XR use-cases at scale. It provides an integrated suite of software components to develop custom

XR solutions with low-code tooling, cloud-based XR platform and customizable viewer apps for different XR devices.

- XTERN SDP supports the following XR use-cases: Virtual training, maintenance operations, remote field services, digital twin visualization and virtual collaboration.
- XTERN SDP is device-agnostic, possessing extendable platform integration capabilities with IoT / OT / IT systems to help visualize additional insights and use cases.

#### **Benefits Derived**

- Accelerated XR experience development.
- No-code / low-code authoring tool enabling citizen developers to create highly customizable XR experiences for customer specific environments and requirements.

### **3. 5G Telecom Solutions**

Realizing the transformative potential of digital connectivity, the Company began investing in 5G as early as 2016.

The Company creates highly differentiated offerings and solutions in Core Network, RAN, etc. and continue to invest in trainings and lab infrastructure for IP development and provide resources to enhance Company's 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 and recently have 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.

#### **b) 5G System integration Framework ("5G SF"):**

Given the open, distributed, and disaggregated nature of the 5G network functions, the 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). The Company's 5G SF includes the homegrown CI / CD / CT tools (RAPID and TURBO).

#### **c) 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.

#### **d) 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. The Company's 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 for different scenarios such as Industry 4.0, asset track and trace, location based services and smart city applications to name a few.

#### **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. It helps create and manage network slices to offer differentiated services and improve 5G monetization from enterprise customers.

### **4. Sustainability Engineering ("Sustaineering")**

The Company's Sustaineering portfolio offers end-to-end sustainability solutions and services underpinned by strategic partnerships. The Company's comprehensive and customized services across the value chain help support its clients right from product ideation and design phase to end-of-life and sustenance.

#### **a) PackRyte**

- This is the Company's sustainable packaging solution with focus on design optimization, material engineering and smart labelling.

#### **Benefits Derived**

- Weight optimization: Up to 20 percent weight reduction.
- CBM (Cubic Meter) efficiency: Up to 8 percent in terms of boxes in a container.

#### **b) NIO – Net Zero Intelligence Operations**

NIO is HCLTech's foremost sustainability focused, IoT-led solution that aims to help its customers

monitor, normalize, compare, and reduce energy consumption and GHG emissions in real time. Winner of the Cisco digital sustainability challenge 2022 - EMEA and IoT Evolution Industrial IoT Product of the year Award 2023, the solution helps clients reduce carbon emissions by optimizing the energy intensity of assets and processes.

#### Benefits Derived

- Reduction in carbon emissions by 8-10 percent.
- Significant Energy User's ("SEU") identification and overall energy savings by 7-10 percent.
- Adherence to compliance reporting (GHG, GRI, ISO-50001 etc).

### 5. Semiconductor

As technologies emerge and converge, they have placed lot of pressure on semiconductor chip design cycles and design costs. The Company leverages its Spec-to-Part offerings and end-to-end design and manufacturing experience to help semiconductor organizations to increase their speed of innovation, enabling higher on demand compute capacity and enhanced flexibility.

#### a) Controller for 5G infrastructure

The deployment of 5G infrastructure is resulting in significant investment in the upgrade of network infrastructure including base stations. Radio Frequency ("RF") front-end modules require customized solutions for optimal configuration and operational control.

The Company designed a fully integrated controller Silicon on Chip ("SOC") for RF front ends providing network infrastructure solutions. The controller SOC include ARM processor core, security functions, on-chip Static Random Access Memory ("SRAM"), on-chip non-volatile memory, standards-based digital peripherals and a set of custom mixed signal interfaces to facilitate RF front end processing and control.

#### b) High-speed Interconnect

In the last few years, use of Chiplets has risen significantly due to increasing size of semiconductor designs. For a high performance design, very high speed and high bandwidth interconnect between the Chiplets (die-to-die interconnect) is required.

- Advanced Interface Bus ("AIB") 2.0 is a second generation specification for die-to-die interconnect.
- The Company has developed an AIB 2.0 compliant IP for die-to-die interconnects.

#### c) SemiCloud - Electronic Design Automation ("EDA") on Cloud

- A cloud-ready HCLTech EDA environment for different EDA scenarios that facilitates workload migration. Successful implementations include pre-silicon

verification on AWS and Trailblazing Synopsys EDA on Azure for physical design.

### 6. Cochlear Implant development

The Cochlear Implant ("CI") medical device is an advanced hearing assistance device which can restore hearing to patients with Disabling Hearing Loss where normal hearing aids are not effective.

- Significant benefits to the hearing impaired at a competitive price point. Cadaver trials are successfully completed. Approvals from CDSCO (Central Drugs Standard Control Organization, Government of India) and CTRI (Clinical Trials Registry – India) regulatory bodies are obtained, which are prerequisites for performing Human Clinical trials.
- As part of the CDSCO approval, activities related to the Pilot Clinical Trials are going on.
- Along with the device, the entire ecosystem software has been developed, including the audiologist application software. This audiologist application software is also being utilized in Pilot Clinical Trial activities. Rehabilitation application software which helps accelerate the learning process for patients with Cochlear Implants is in advanced stages of development.

#### Benefits Derived

- Industry leading technology accessible at a competitive price point to end users which will enable more users to recover from disabling hearing loss and improve their quality of life.
- First-of-its-kind cloud-based rehabilitation software with lesson content created by internationally certified rehabilitation therapists. This will reduce dependency on rehabilitation therapists leading to reduced cost of therapy and improved end user compliance.

### 7. Cloud wise R&D Details

#### 7.1 Business Cloud

Products in business solutions portfolio of the Company are designed to support the entire user lifecycle. By providing industry leading system integration, the Company has earned the trust of all users, including IT, business, employees, and customers. From applications to endpoints, the Company can scan 1.5 million lines of code every hour and manage 100 million devices every day.

#### a) HCL Commerce Cloud

It is a modern enterprise grade omni-channel eCommerce platform that automates & accelerates the creation and management of online stores at scale and across multiple geographies.

#### Key features and benefits

- Extensive Sales & Business Model Support: Single commerce platform to support B2B, B2C, and B2B2C.

- Optimized User Experience: Through integrated out-of-box storefronts.
- Improved Performance, Scalability, and Security.
- Cloud - Native: Support a wide selection of cloud deployment of customers' choice.

#### **New Solution**

- A Native Marketplace solution allowing owners to onboard third-party sellers onto the platform and provide a single catalog of goods and services to customers with all seller SKUs, pricing, and inventory for their customers.

#### **Future plan of action**

- Enhanced marketplace capabilities like enhanced post order capabilities, adding new language to NLP, etc.

### **b) HCL Marketing Cloud**

HCL Unica is an integrated, cloud-native marketing platform that powers precision marketing at Scale.

#### **Key features and benefits**

- Elevated marketer experience through an intuitive UI / UX
- Unified Powerful Search for better user productivity and efficiency across the suite.
- Unified Data Management, for centralized management, audience identity management across channels.
- Support a wide selection of cloud deployment platforms based on the customer.

#### **New solution**

- HCL Unica & European Cricket Network ("ECN") have teamed up to create the ultimate cricket fan experience. ECN leverages Unica's real time interaction capabilities, best-in-class segmentation, behavioural insights, and fan journey mapping to engage fans at every step of their experience across all their engagement channels.

#### **Future plan of action**

- Cognitive insights and optimized customer engagement through better personalization and smarter campaigns.

### **c) HCL IntelliService**

An AI Service Optimization platform aimed at evolving customer service into customer success by leveraging cutting edge technologies such as conversational AI, cognitive search, and AI / ML to provide self-service capabilities for end users thereby effectively reducing / deflecting tickets and calls to the service desk and increasing CSAT scores.

#### **Key features and benefits**

- Conversational AI serves its customers effectively leveraging guided transactions and SmartFAQ. The Conversational Designer for building conversational flows ensures quick development of automation workflows.
- Rich configurability allows easy configurations of utterances, seamless business system integration.
- Cognitive search provides users relevant and contextual response for their questions.
- Knowledge Mining automatically navigate the user to the page from which results are shown.

#### **Future plan of action**

- Integration with Unica, DX, Commerce to increase the effectiveness of marketing lead capture.
- Cross platform integration with Quest, Volt MX for a strong play in Aftermarket services.
- Pre-built templates across multiple verticals to fast-track deployment cycle and time to value.

### **7.2 Hybrid Data Cloud**

Customers demand a data platform that is dependable, adaptable, and simple to use. The Company deliver on that promise with its analytics database and cloud data platform.

#### **a) Avalanche**

Transform business by simplifying how you connect, manage, and analyse data with the Avalanche Cloud Data Platform.

#### **Key features and benefits**

- Integration for JIRA ITSM, BigFix etc.
- Deliver personalized, consistent customer experiences with Customer 360.
- Provide real-time analytics by taking full advantage of the CPU, RAM, and disk to store, compress, and access data with unmatched performance.
- Move towards better BI with integration of more data sources and decrease the amount of data preparation needed to analyse and visualize complex data in BI reports and dashboards.
- Detect anomalies before they impact your business.
- Reclaim efficiency in claims processing.

#### **Future plan of action**

- Schema versioning via zero copy cloning and Expanded ML Capabilities.
- Out-of-the-box solutions for healthcare, financial payments and supply chain ED.



- Data sharing enables customers to share live, secure, and governed data across accounts, regions, and clouds (Phase 1 will be read-only; Phase 2 will be read-write).
- Expanded ML Capabilities.

### 7.3 Unified AppDev Cloud

From securely collaborating and automating an organization's core processes to creating great omnichannel and contextual multi-experiences, this solution help companies around the world to transform digitally.

#### a) Volt MX

HCL Volt MX is an industry leading mobile and multi-experience low-code app-dev platform for professional developers to deliver consumer grade digital solutions rapidly.

##### Key features and benefits

- 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.

##### New solution

- Volt MX Go, an enhanced Volt MX edition that unlocks the power of existing Domino Apps with a choice of deployment cloud, on-premises, or hybrid.

##### Future plan of action

- Integrations with voice assistants, Augmented Reality ("AR"), and Virtual Reality ("VR").
- Support to build MacOS and Windows11 apps.
- Support for new wearables interactions and LiDAR.

#### b) Digital Experience

HCL DX is purpose built to develop, deliver, and manage business critical digital experiences that serve Company's customers, employees, and partners.

##### Key features and benefits

- Improve user experience with less code as well as easy integration and automation.
- Cloud-native deployment lowers the Total Cost of Ownership ("TCO").

##### Future plan of action

- Enable content composer capability that integrates with Unica to provide design options.
- AI-assisted summary and tag generation functionalities.

- APIs and Software Development Kits ("SDKs") for developers to build Single Page Applications ("SPA").

### 7.4 Intelligent Automation Cloud

Transforming and simplifying IT and Business operations by leveraging AI and Cloud.

#### a) IntelliOps

DRYiCE IntelliOps is an integrated, full-stack AIOps and observability solution bundle that manages end-to-end agile IT infrastructure for resilient, predictive, and continuously available digital services aligned to core business objectives.

##### Key features and benefits

- ML driven event correlation engine.
- Business insights and patterns generated from large complex datasets.
- Device or capability oriented monitoring.
- User behaviour monitoring.
- Persona based reporting.
- Predictive analytics and forecasting.
- Service status and availability metrics.
- Historical health and performance telemetry.

##### Future plan of action

- Implementation of iOnboard module within the platform.
- Addition of more products in IntelliOps offering.

#### b) iControl

DRYiCE iControl 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.

##### Key features and benefits

- Enhanced widgets and GCP readiness.
- Realtime process performance visualization.
- Customizable persona based dashboards and reporting.
- Flexible data grouping and weighted aggregations.
- Historical and predictive analytics.
- Business controls powered by rules engine.

##### Future plan of action

- MIS reporting and support for BI tools, health score simulator and weighted drill-down.
- ML for recommendation engine, non-numeric target types.

- SMS / Email alert and push notification mechanisms.
- Data ingestion adaptors, API to allow import / export of flows, display audit history, and copy flow feature.

### c) BigFix

HCL BigFix is the world's leading unified endpoint management platform, enabling IT Ops and security teams to fully automate discovery, management, and remediation regardless of the operating system, location or connectivity.

#### Key features and benefits

- Server Automation to run multiple plans in parallel, allowing more automation for more endpoints.
- BigFix Insights streamline visibility and remediation of detected vulnerabilities, uniting security and IT.
- Modern user experience and security with patch policy's ability for intelligent remediation.

#### New solution

- BigFix on Cloud combines the power of BigFix endpoint management with the Company's global cloud-based managed services to accelerate time to value and lower capital costs.
- BigFix Cyber FOCUS Analytics, prioritize and patch critical vulnerabilities and reduce cybersecurity risk in real-time across global desktop, mobile, data centre, cloud, and IoT landscape with a single console.
- BigFix Runbook AI is an Intelligent Runbook Automation product equipped with Artificial Intelligence, Machine Learning, and Natural Language Processing capabilities for simplifying and automating the IT Operations and resolution.

#### Future plan of action

- CyberFocus, the next intelligent and policy-driven remediation.
- AI and ML automation around user workspace management, secure infrastructure, and software asset management.

## 8. Verticalized Offerings: Telecom

HCLTech's Industry Software Division creates leading edge products for telecom as well as PLM. Few of the important products from the portfolio are as follows:

### a) SMARTWiFi

HCL SMARTWiFi is a cloud-native, containerized secure Wi-Fi network management platform for use by Communication Service Providers ("CSP") and Managed Service Providers ("MSP"). Using open technologies, SMARTWiFi centrally manages Access Points ("AP") for Wi-Fi deployments across multiple sites to improve performance for WLAN networks.

#### Key features and benefits

- Powerful and intuitive cloud-based AP management that eliminates the complexity of on premises wireless controller hardware.
- Lower Total Cost of Ownership ("TCO") than traditional offerings with a 40-60% saving based on volume and choice of access points.

#### Future plan of action

- Support for 5G CPE devices.
- IoT protocols for smart homes.
- Dedicated analytics platform supporting number of use cases using AI / ML.

### b) ANA (Augmented Network Automation)

HCL ANA platform leverages ML and Analytics to reduce network management complexity with closed loop automation and orchestration of the radio access network.

#### Key features and benefits

- Quickly deploy and optimize 3G / 4G / 5G wireless networks and services.
- Improved TCO and reduced energy without degrading subscribers' quality of experience.
- Reduced CAPEX and OPEX with flexibility and scalability.

#### Future plan of action

- Private LTE / 5G / CBRS.
- RAN service optimization.
- Slice optimization.
- New ML driven apps.

## 9. Shared Engineering R&D

### a) SoFy (Solution Factory)

HCL SoFy is a cloud-native solution marketplace that enables deploying HCL Software products to any public, private, or hybrid cloud in minutes.

#### Key features and benefits

- All HCLSoftware cloud-native products GA in SoFy catalog.
- Easy deployment of cloud-native HCLSoftware to any cloud-native environment.
- Provides common services to make running in Kubernetes easier.
- Cloud-native repository to access HCLSoftware product containers and Helm charts.
- Easily search for any cloud native HCL product and business solutions.

### New solution

- HCL SoFy 2.0 is designed with new capabilities to help HCL Software business partners grow their business and accelerate the sales cycle.

### Future plan of action

- Product-specific catalogs, marketplaces, and downloads of product add-ons.
- Ecommerce integration with “Buy It” or “Quote it” self-service purchase experience.

### b) SPARC

HCLSoftware has 70+ products offerings, supporting various functional domains. The recently launched Software Product Advanced Research Centre (“SPARC”) allows HCLSoftware to become a leading innovative product organization in the world. This is to secure innovation in the HCLSoftware DNA while also matching the speed at which the technical landscape is changing.

### Major focus areas

- Helps in designing a structured approach towards ideation and innovation.
- Increases collaboration internally and externally.
- Helps in development of Intellectual Property.
- Works in the areas of AI, cloud, security, metaverse and quantum computing.

### II) Expenditure on R&D for the years ended March 31, 2023 and March 31, 2022 are as follows:

(₹ in crores)

Particulars	Financial Year ended	
	March 31, 2023	March 31, 2022
R&D amount charged to the statement of Profit and Loss	552	522
R&D expenditure as a percentage of revenues	1.19%	1.28%

### 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, 2023	March 31, 2022
<b>Foreign exchange earnings</b>	<b>40,884</b>	<b>35,935</b>
<b>Foreign exchange outgo</b>		
- Expenditure in foreign currency	6,451	6,702
- CIF value of imports	366	520
- Dividend remitted in foreign currency	2,041	1,786
	<b>8,858</b>	<b>9,008</b>

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 20, 2023

## 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, 2023 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 20, 2023