

HCL Infosystems Limited announced its financial results on 20th May,2026 for the quarter and financial year ended 31st March,2026 and reported revenue of Rs. 528.20 Lakhs in Q4'FY 26 and Rs. 2,160.86 Lakhs in FY 26.

FY26 Business Highlights:

- The revenue for the financial year is Rs. 2,160.86 Lakhs, as compared to previous financial year revenue of Rs. 2,461.27 Lakhs. Other income for the financial year is Rs. 3,292.41 Lakhs.
- Loss Before Tax and exceptional items is Rs. 3,130.66 Lakhs as compared to previous financial year loss of Rs. 2,694.80 Lakhs. The current year loss has increased primarily on account of non-cash interest expense charged on Non-Convertible Debentures to Profit and Loss Account of Rs 463.12 Lakhs.
- Loss Before Tax after considering exceptional items is Rs. 3,291.45 Lakhs as compared to previous financial year loss of Rs. 2,110.92 Lakhs. The previous financial year loss included an exceptional gain of Rs. 583.88 Lakhs on sale of property.
- Exceptional non-recurring gain/loss during this year was on account of:
 - Gain on sale of property Rs. 4.59 Lakhs and
 - Provision on account of one-time impact of New Labour Codes Rs. 165.38 Lakhs

Q4' FY26 Business Highlights:

- The revenue for the current quarter stood at Rs. 528.20 Lakhs, as compared to previous quarter revenue of Rs. 422.22 Lakhs. Other income for the current quarter is Rs. 781.48 Lakhs.
- Loss Before Tax and exceptional items is Rs. 1,372.50 Lakhs as compared to previous quarter loss of Rs. 757.67 Lakhs. The current quarter loss has increased primarily on account of non-cash interest expense charged on Non-Convertible Debentures to Profit and Loss Account of Rs 463.12 Lakhs.
- Loss Before Tax after considering exceptional items is Rs. 1,315.73 Lakhs as compared to previous quarter loss of Rs. 975.16 Lakhs.
- Exceptional non-recurring gain/loss during this quarter was on account of:
 - Excess provision reversal on account of one-time impact of New Labour Codes Rs. 56.77 Lakhs

Mr. Gaurav Bhalla, Manager of HCL Infosystems Ltd, while commenting on the results, said, "During the quarter, the Company's management continued to focus on initiatives aimed at reducing future operational losses, and pursuing recovery of long-overdue receivables from customers through arbitration proceedings."

Company Update

As informed in earlier news releases, the Company has initiated arbitration proceedings against several customers to recover the dues owed. Due to multiple legal arbitration proceedings and legacy issues, significant effort and cost is being incurred on legal and legacy matters. The Company continues to incur

costs in relation to project execution and due to multiple legal proceedings and legacy issues, in addition to the regular compliance costs and provisioning for unutilized GST Input Tax Credit, which is reflected in the financial statements.

The Company incurred legal expenses of Rs. 1,712.84 Lakhs related to ongoing litigations and legacy issues along with other operational costs during the year.

During the year the Company received a favorable arbitration award (including interest) amounting to Rs. 10,281 lakhs in the matter of UIDAI (Extension) arbitration case. However, the customer has filed an appeal with the appropriate authority. The legal proceedings are progressing, and the Company shall keep the stakeholders informed of any material developments in relation to any legal matter of the Company.

The Board of Directors of HCL Capital Private Limited (Promoter Group Entity, a related party to the Company as per Listing Regulations) has approved financial support in the form of advances / loans, unsecured non-convertible debentures, guarantee, corporate guarantee, security or any other form of financial support, up to a maximum amount of Rs. 1,50,000 lakhs This had been approved by the shareholders of the Company, vide their resolution dated September 17, 2025. Out of the aforesaid limit, the Company has issued Unlisted, Unsecured, Non-Convertible Debentures (NCD) aggregating to Rs. 35,500 lakhs. The full subscription amount against such issuance has been received, and Non-Convertible Debentures having a face value of Rs. 1,000 each have been allotted to HCL Capital Private Limited, a promoter group entity. The proceeds from the said NCD issuance have been utilised for the repayment of earlier loans availed from HCL Corporation Private Limited, a promoter entity.

Appointment of Manager

Mr. Raj Kumar Sachdeva, previous manager has successfully completed his tenure of five years with the Company. Accordingly, his tenure has concluded with effect from the close of business hours on April 30, 2026.

The Board of Directors and shareholders of the Company have approved the appointment of Mr. Gaurav Bhalla as Manager of the Company for a period of five (5) years with effect from May 1, 2026.

Mr. Gaurav Bhalla has been associated with HCL since 2012. He is a finance leader with around 20 years of experience in Financial Planning and Analysis, Business Finance, Accounts, Mergers and Acquisitions, and Corporate Governance. He has extensive experience in managing statutory audits of listed entities, consolidation of financial results, and risk assessment. He also possesses experience of working with multiple ERP systems.

Re-appointment of Director

During the year, the members of the Company, at their Annual General Meeting held on 17th September 2025, re-appointed Mr. Neelesh Aggarwal as a Non-Independent and Non-Executive Director, liable to retire by rotation.

Tax refund

Total tax refund received during the current financial year is Rs. 901.35 Lakhs.

Borrowing Position as on 31st Mar'26

There are no external loans. However, during the year the Company has issued Non-Convertible Debentures of Rs. 35,500.00 Lakhs to HCL Capital Private Limited, promoter group entity carrying a coupon rate of 0.001% per annum.

The maximum tenure of the Non-Convertible Debentures (NCDs) is ten years from the date of allotment. The holder has an option to demand repayment after twelve months and five days. Similarly, the Company has an option to redeem the NCDs at the expiry of twelve months and five days.

The NCDs are recognized at fair value at initial recognition using market-based discount rate and subsequently measured at amortized cost using Effective Interest Rate (EIR) method. The difference between fair value and transaction proceeds amounting to Rs 2,664 Lakhs is accounted for as an equity contribution considering the transaction is with promoter group company. Finance Cost includes non-cash interest expense of Rs 463.12 Lakhs.

The current utilisation of non-fund based limits is Rs. 24,157.51 Lakhs on account of Bank Guarantees.

About HCL Infosystems Limited

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

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