

Report On Corporate Governance

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

The Company firmly believes that good corporate governance practices ensure efficient conduct of the affairs of the Company while upholding the core values of transparency, integrity, honesty and accountability and help the Company in its goal to maximize value for all its stakeholders.

The Company adopts and adheres to the best recognized corporate governance practices and continuously strives to better them.

The Company is in compliance with the requirements of the guidelines on corporate governance stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges.

2. BOARD OF DIRECTORS :

(i) The Board of Directors of the Company comprises of Ten Directors with an Executive Chairman. Of the Ten Directors, Eight are Non-executive Directors and Five are Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

(ii) None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees as specified in Clause 49 across all the Companies in which he is a Director. Necessary disclosures regarding Committee position in other public companies as at 30th June, 2010 have been made by the Directors.

(iii) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and last Annual General Meeting and the number of Directorships and Committee Chairmanship/Memberships held by them in other companies is given below. Other Directorships do not include alternate directorships, directorships of private limited companies, companies incorporated outside India and companies incorporated under Section 25 of the Companies Act, 1956. Chairmanship/Membership of Board Committees include only Audit and Shareholders/Investors Grievance Committees.

Names	Category	No. of Board Meetings during 2009-10		Whether attended last AGM held on 23rd October, 2009	No. of Directorships in other public companies		No. of Committee positions held in other public companies	
		Held	Attended		Chairman	Member	Chairman	Member
Mr. Ajai Chowdhry (Chairman & CEO)	Promoter & Executive Director	7	7	Yes	4	1	-	2
Mr. J. V. Ramamurthy (Whole Time Director & COO)	Executive Director	7	7	No	-	4	-	-
Mr. R. P. Khosla*	Independent & Non-Executive Director	7	6	Yes	-	1	-	-
Mr. S. Bhattacharya	Independent & Non-Executive Director	7	7	Yes	-	5	4	2
Mr. D. S. Puri	Promoter & Non-Executive Director	7	5	No	-	-	-	-
Mr. E. A. Kshirsagar	Non-Executive Director	7	3	No	-	6	4	3
Ms. Anita Ramachandran	Independent & Non-Executive Director	7	3	Yes	-	4	1	2
Mr. T. S. Purushothaman*	Independent & Non-Executive Director	7	2	Yes	-	-	-	-
Mr. V. N. Koura	Independent & Non-Executive Director	7	5	No	-	3	-	1
Mr. Nikhil Sinha	Non-Executive Director	6	3	No	-	-	-	-

* Mr. R. P. Khosla and Mr. T. S. Purushothaman, Directors, who are retiring by rotation in the ensuing Annual General Meeting, have not sought re-appointment as Director.

(iv) Seven Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows:

1st July, 2009; 14th August, 2009; 8th September, 2009; 29th October 2009; 25th January, 2010; 24th March, 2010 and 29th & 30th April, 2010.

(v) Necessary information as mentioned in Annexure 1A to Clause 49 of the listing agreement has been placed before the Board for their consideration.

Some of the items discussed at the Board meetings are listed below:

- Annual operating plans, budgets and all updates.
- Discussion on Economic Conditions & Business Outlook.
- Discussion of Business Operations.
- Review of operations.
- Capital budgets and all updates.
- Raising of funds on Preferential basis and Qualified Institutions Placement (QIP) basis.
- Review of M & A Charter of the Company.
- Acquisition of properties, business and assets of other entity.
- Incorporation of overseas subsidiary and investment therein.
- Investment in overseas Company.
- Quarterly Results of the Company and its operating divisions or business segments.
- Minutes of meetings of Audit Committee and other committee of Board.
- Minutes of meetings of Board of Directors of Subsidiary Companies.
- Show Cause, Demand, Prosecution notices and penalty notices if any, which are materially important.
- Foreign exchange exposures and steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Review of operations of subsidiary companies.
- Review of related party transactions including transactions under section 297 of the Companies Act, 1956.
- Approval of remuneration paid to Executive and Non-executive Directors.
- Review of statutory compliances.
- Noting risk management procedures.
- Non-compliance of any regulatory, statutory nature or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer etc.
- Approval/Noting of contribution for charitable purposes.
- Noting of Auditor's report on Green House Gas emission of the Company.

3. ACCOUNTS AND AUDIT COMMITTEE :

- (i) The Accounts and Audit Committee of the Company was constituted in August, 1998 in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.
- (ii) The primary objective of the Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and ensure the integrity and quality of financial reporting and internal controls.
- (iii) The composition, powers, roles and the terms of reference of the Committee are in terms of the requirement of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. All the Committee members have reasonable knowledge of finance and accounting and two members possess financial and accounting expertise.
- (iv) The Composition of the Accounts and Audit Committee and details of meetings attended by its members are given below:

Name	Category	No. of Meetings	
		Held	Attended
Mr. R. P. Khosla (Chairman)	Independent, Non-executive	4	4
Mr. S. Bhattacharya (Member)	Independent, Non-executive	4	4
Ms. Anita Ramachandran (Member)	Independent, Non-executive	4	3
Mr. E. A. Kshirsagar (Member)	Non-executive	4	3

- (v) The Audit Committee met 4 times during the financial year 2009-10 on the following dates: 7th September 2009; 29th October 2009; 25th January 2010 and 29th April 2010.
- (vi) The previous Annual General Meeting of the Company was held on 23rd October, 2009 and it was attended by the Chairman of the Committee.
- (vii) The Company Secretary of the Company acts as Secretary to the Committee.

4. EMPLOYEES COMPENSATION AND EMPLOYEES SATISFACTION COMMITTEE :

- (i) The Employees Compensation & Employees Satisfaction Committee was constituted in August 1998 to recommend/review remuneration of Executive Directors and other employees based on their performance and defined assessment criteria and other matters relating to employees.
- (ii) The composition of the Employees Compensation & Employees Satisfaction Committee and the details of meetings attended by its members are given below:

Name	Category	No. of Meetings	
		Held	Attended
Ms. Anita Ramachandran (Chairperson)	Independent, Non-executive	4	3
Mr. S. Bhattacharya (Member)	Independent, Non-executive	4	4
Mr. Ajai Chowdhry (Member)	Executive	4	4
Mr. R. P. Khosla (Member)	Independent, Non-executive	4	4

- (iii) The Committee met 4 times during the financial year 2009-10 on the following dates: 7th September 2009; 29th October 2009; 25th January 2010 and 29th April 2010.

- (iv) Compensation policy for Non-executive Directors (NEDs):

Within the ceiling of 1% of the net profits of the Company computed under the applicable provisions of the Companies Act, 1956 and after obtaining the approval of the shareholders, the Non-executive Directors (other than Promoter Director) are paid a commission, the amount whereof is determined by the Board. The basis of determining the specific amount of commission payable to these directors is related to their attendance at meetings, contribution at meetings as perceived by the Chairman and extent of consultations with them outside the meetings. These Directors are also paid sitting fees at the rate of ₹ 20,000 for attending each meeting of the Board.

- (v) Details of remuneration paid / payable to all the Directors for the period from 1/7/2009 to 30/6/2010:

(₹/Lacs)

Name	Salary & Allowances	Perquisites	Performance Linked Bonus	Commission	Sitting Fees
Executive Directors					
Mr. Ajai Chowdhry	143.45	36.92	160.00	-	-
Mr. J.V. Ramamurthy	75.06	8.32	50.00	-	-
Non-executive Directors					
Mr. R.P. Khosla	-	-	-	4.39	1.20
Mr. Subroto Bhattacharya	-	-	-	5.40	1.40
Mr. D.S. Puri	-	-	-	-	-
Mr. E.A. Kshirsagar	-	-	-	3.00	0.60
Ms. Anita Ramachandran	-	-	-	3.08	0.60
Mr. T.S. Purushothaman	-	-	-	1.99	0.40
Mr. V.N. Koura	-	-	-	1.99	1.00
Mr. Nikhil Sinha	-	-	-	3.30	0.60

During the year Mr. Ajai Chowdhry and Mr. J. V. Ramamurthy were paid Performance Linked Bonus of ₹ 190 lacs and ₹ 60 lacs respectively pertaining to the year 2008-09.

The above remuneration excludes reimbursement of expenses on actual to Directors for attending meetings of the Board/Committees.

(vi) Details of Stock Options issued to Directors:-

- Mr. T. S. Purushothaman was granted 40000 options under Employee Stock Option Plan 2000 which have been fully exercised.
- Mr. J. V. Ramamurthy was granted 45500 options under Employee Stock Option Plan 2000. As on 30th June, 2010, 41500 options have been vested and out of these, 28700 options have been exercised. He was also granted 7500 options under Employee Stock Based Compensation Plan 2005. As on 30th June, 2010, 6000 options have been vested and no option has been exercised.

Each option confers a right to apply for 5 equity shares of ₹ 2/- each. For pricing formula, please refer to the 'Information regarding Employee Stock Option Scheme' forming part of the Directors' Report.

(vii) Period of contract of Executive Director:

- (a) Mr. Ajai Chowdhry, Chairman & C.E.O: 5 Years from 1st April, 2009
 - The contract may be terminated by either party giving the other party three months notice or the Company paying three months salary in lieu thereof.
 - There is no separate provision for payment of Severance Fees.
- (b) Mr. J.V. Ramamurthy, Whole Time Director: 5 Years from 11th August, 2010 (subject to the approval of shareholders at the ensuing Annual General Meeting)
 - The contract may be terminated by either party giving the other party three months notice or the Company paying three months salary in lieu thereof.
 - There is no separate provision for payment of Severance Fees.

(viii) There were no other pecuniary relationships or transactions of the Non-executive Directors vis-à-vis the Company.

(ix) As on 30th June, 2010, Mr. T.S. Purushothaman, Non-executive Director was holding 5455 equity shares of the Company. No other Non-executive Director was holding any shares of the Company as on that date.

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE :

- (i) The Board has constituted Shareholders'/Investors' Grievance Committee to oversee and review all matters connected with the transfer of Shares of the Company and redressal of Shareholders'/Investors' complaints.
- (ii) The composition of the Shareholders'/Investors' Grievance Committee and the details of meetings attended by its members are given below:

Name	Category	No of Meetings	
		Held	Attended
Mr. R. P. Khosla (Chairman)	Independent, Non-executive	4	4
Mr. S. Bhattacharya (Member)	Independent, Non-executive	4	4
Mr. E. A. Kshirsagar (Member)	Non-executive	4	3

(iii) The Committee met 4 times during the financial year 2009-10 on the following dates: 8th September 2009; 29th October 2009; 25th January 2010 and 29th April 2010.

(iv) Name, designation and address of Compliance Officer:

Mr. Sushil Kumar Jain
 Company Secretary
 HCL Infosystems Limited
 E- 4,5,6, Sector 11, Noida
 Tel: 0120-4203107
 Fax: 0120-2525196

(v) During the year the Company received 5 Complaints from SEBI/Stock Exchanges/MCA. All complaints were redressed to the satisfaction of the shareholder. No complaints were pending either at beginning or at the end of the year. There were no shares pending for transfer as on 30th June, 2010.

6. NOMINATION COMMITTEE :

- (i) During the year under review, the Board had constituted a Nomination Committee to, among other matters, advise the Company on appointment, screening and review of top management positions, building a leadership pipeline and identifying successors for key positions.
- (ii) The composition of the Nomination Committee and the details of meetings attended by its members are given below:

Name	Category	No of Meetings	
		Held	Attended
Ms. Anita Ramachandran (Chairperson)	Independent, Non-executive	1	1
Mr. E. A. Kshirsagar (Member)	Non-executive	1	1
Mr. Nikhil Sinha (Member)	Non-executive	1	1

- (iii) The Committee met once during the financial year 2009-10 : on 29th April 2010.

7. CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT :

The Company has adopted a comprehensive Code of Conduct for its Directors and Senior Management, which lays the standard of business conduct, ethics and governance.

The Code has been circulated to all the members of the Board and Senior Management and they have affirmed compliance of the same.

The declaration signed by the Chairman & CEO is given below:

"I hereby confirm that:

The Company has obtained from all the members of the Board and Senior Management affirmation that they have complied with the Code of Conduct for Directors and Senior Management in respect of the financial year 2009-10."

Sd/-
Ajai Chowdhry
Chairman & CEO

8. UNLISTED SUBSIDIARY COMPANIES :

The Company has five unlisted wholly owned subsidiaries as on 30th June 2010 namely HCL Infnit Limited, incorporated on 15th September, 1975; RMA Software Park Private Limited (RMAS) incorporated on 7th February, 2005; HCL Security Limited (HSL) incorporated on 19th March, 2008; HCL Infocom Limited (HIL), incorporated on 17th December, 2008 and HCL Insys Pte. Limited, Singapore incorporated on 17th December, 2009.

The Company has acquired 60% equity capital in HCL Infosystems MEA FZCO, Dubai (formally NTS FZCO, Dubai) through HCL Insys Pte. Limited, Singapore, the subsidiary, on 4th July, 2010. On above acquisition, HCL Infosystems MEA FZCO, Dubai, has become a step down subsidiary of the Company.

Mr. S. Bhattacharya, the Independent Director and Mr. Ajai Chowdhry and Mr. J. V. Ramamurthy, the Whole-time Directors of the Company are also Directors of HCL Infnit Limited.

Mr. Ajai Chowdhry and Mr. J. V. Ramamurthy, the Whole-time Directors of the Company are also Directors of RMAS, HSL and HIL. Mr. J. V. Ramamurthy is also Director in HCL Infosystems MEA FZCO, Dubai. The Minutes of the Board Meetings of the subsidiary companies are regularly placed before the Board.

9. GENERAL BODY MEETINGS :

- (i) The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
2008-09	23/10/2009	10.00 A.M	FICCI Auditorium, 1, Tansen Marg, New Delhi-110001
2007-08	24/10/2008	10.00 A.M	FICCI Auditorium, 1, Tansen Marg, New Delhi-110001
2006-07	23/10/2007	10.00 A.M	FICCI Auditorium, 1, Tansen Marg, New Delhi-110001

- (ii) No special resolutions were passed at last three AGM.
- (iii) During the year none of the resolutions have been passed through postal ballot.
- (iv) During the year, an Extra-ordinary General Meeting was held on 23rd September, 2009 and following resolutions have been passed thereat:

Special resolution(s):

- Raising of funds by way of issuance of Equity Shares in the course of domestic and/or international offerings including through QIP/FCCBs/OCBs/GDRs/ADRs etc.
- Raising of funds by issuing convertible warrants to certain promoters of the Company on Preferential basis.

Ordinary resolution:

- Renewal of shareholder's approval for payment of commission to Non-executive Directors of the Company, for a further period of 5 years.

10. CEO / CFO CERTIFICATION :

The Certificate as stipulated in clause 49(V) of the Listing Agreement with the Stock Exchanges was placed before the Board along with the financial statements for the year ended 30th June, 2010 and the Board reviewed the same.

11. DISCLOSURES :

- (i) All related party transactions including those with wholly owned subsidiaries have been reviewed by the Audit Committee and Board of Directors and were found to be in normal course of business and on arm's length basis. The details of related party transactions have been disclosed in note 27 of schedule 21 of the financial statements for the financial year ended 30th June, 2010.
- (ii) The Company has complied with the requirements of the Stock Exchanges/SEBI/any Statutory Authority on all matters related to capital markets during the last three years. There are no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authorities relating to the above.
- (iii) A qualified Practicing Company Secretary carried out a Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- (iv) The Company has voluntarily appointed a Practicing Company Secretary, to conduct Secretarial Audit of the Company for the financial year ended 30th June, 2010, who has submitted his report confirming the compliance with all the applicable provisions of the various corporate laws, rules, regulations, notifications, guidelines etc. and the Listing Agreement.
- (v) The Company has developed a well-defined Risk Management Framework to track and evaluate all business risks and process gaps. The top management of the Company takes periodic review of the business processes and environment risk analysis reports by the respective business heads. It covers identification, analysing, planning, monitoring, controlling and prevention of risks across the Company; covering all the Business Divisions and Support Functions.
- (vi) The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure 1D to Clause 49 of the Listing Agreement with the Stock Exchanges:
 - (a) The Company has set up an Employees Compensation & Employees Satisfaction Committee. Please see para 4 for further details.
 - (b) The statutory financial statements of the Company are unqualified.

12. MEANS OF COMMUNICATION :

- (i) **Quarterly/Half Yearly/Annual Results :** The Quarterly, Half Yearly and Annual Results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board.
- (ii) **News Releases :** The Quarterly, Half Yearly and Annual Results of the Company are published in the prescribed performance within 48 hours of the conclusion of the meeting of the Board in which they are considered, at least in one English

newspaper circulating in the whole or substantially the whole of India and in one Vernacular newspaper of the State where the Registered Office of the Company is situated.

The quarterly financial results during the financial year 2009-10 were published as detailed below:

Quarter (FY 2009-10)	Date of Board Meeting	Date of Publication	Name of the Newspaper
1	29th October, 2009	30th October, 2009	Business Standard & Veer Arjun
2	25th January, 2010	26th January, 2010	Financial Express & Jansatta
3	29th & 30th April, 2010	1st May, 2010	Business Standard & Veer Arjun

(iii) **Website** : The Company's website www.hclinfosystems.in contains a separate section of 'Investors' where latest shareholders information is available. The Quarterly, Half Yearly and Annual Results are regularly posted on the website. Press releases made by the Company from time to time and the presentation made to the institutional investors and analysts are displayed on the Company's website.

(iv) **Corporate Filing and Dissemination System (CFDS) Filing** : The Stock Exchanges have vide Clause 52 of the Listing Agreement, introduced the Corporate Filing and Dissemination System (CFDS) which is a portal jointly owned, managed and maintained by the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). It is a single source to view the information filed by listed companies. All disclosures and communications to the BSE and NSE are filed electronically through the CFDS portal www.corpfiling.co.in. Hard copies of the said disclosures and correspondence are also filed with the BSE and NSE.

(v) **Annual Report** : Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MDA) Report forms part of the Annual Report. The Annual Report is also available on the Company's website.

(vi) **Chairman's Communique** : The Highlights of the quarterly financial results along with a message from the Chairman are sent to each shareholder. Printed copy of the Chairman's Speech is distributed to all the shareholders at the Annual General Meetings.

(vii) **Reminders to Investors** : Reminders for unpaid/unclaimed dividend are sent to the Shareholders as per records.

13. GENERAL SHAREHOLDERS' INFORMATION :

(i) Annual General Meeting:

Date : Wednesday, 27th October, 2010

Time : 10:30 A.M.

Venue : FICCI Auditorium, 1, Tansen Marg, New Delhi-110 001

(ii) The Company follows July to June year end.

(iii) Financial Calendar (Tentative Calendar for the financial year 2010-11) :

Adoption of Results for the quarter ending 30th September, 2010 : 26th & 27th October, 2010

Adoption of Results for the quarter ending 31st December, 2010 : 27th & 28th January, 2011

Adoption of Results for the quarter ending 31st March, 2011 : 28th & 29th April, 2011

Adoption of Results for the quarter ending 30th June, 2011 : 29th August, 2011

(iv) Date of Book Closure : 8th November to 9th November, 2010 (both days inclusive)

(v) Dividend payment date : The Final Dividend if declared shall be paid on or before 25th November, 2010

(vi) Listing on Stock Exchanges : National Stock Exchange of India Limited
Bombay Stock Exchange Limited

(vii) Stock Codes/Symbol :

National Stock Exchange of India Limited : HCL-INSYS

The Bombay Stock Exchange Limited : Physical Form - 179

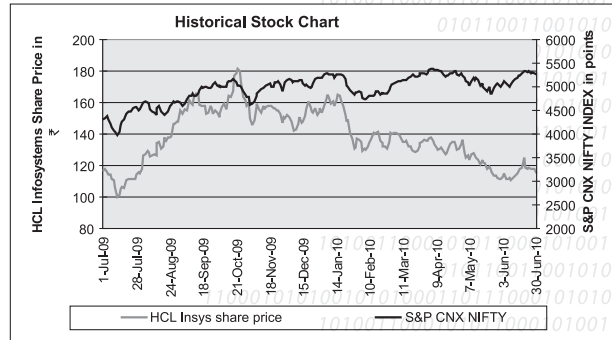
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(viii) 12.75% Rated, Secured, Redeemable, Non-convertible Debentures (NCDs) issued by the Company in 2008 are listed on National Stock Exchange of India Limited.

(ix) Market price data:

Month	Company's Share Price	
	High (₹)	Low (₹)
July, 2009	120.10	97.25
August, 2009	154.00	122.50
September, 2009	172.80	146.70
October, 2009	188.75	146.50
November, 2009	162.30	141.00
December, 2009	164.90	140.25
January, 2010	168.90	128.20
February, 2010	145.00	127.50
March, 2010	142.50	126.05
April, 2010	139.70	126.00
May, 2010	143.80	111.30
June, 2010	131.00	109.00

(source : The National Stock Exchange of India Ltd.)



(x) Registrar and Transfer Agents (RTA):

Name & Address	:	M/s. Alankit Assignments Limited Alankit House, 2E/21, Jhanewalan Extension, New Delhi - 110 055
Contact Person	:	Mr. Mahesh Jairath, Senior Vice President
Phone No.	:	91-11-23541234
Fax No.	:	91-11-42541967
E-Mail	:	rta@alankit.com

(xi) Share Transfer System:

Transfer of dematerialized shares is done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form, the transfer documents can be lodged with Alankit Assignments Limited, the RTA of the Company, at their address mentioned above. Transfer of shares in physical form are normally processed within 10-15 days from the date of receipt, if the documents are complete in all respects.

(xii) Shareholders' Referencer:

The shareholders' referencer is available on the Company's website. Any shareholder who wishes to obtain copy of the same can send his request to the Company Secretary.

(xiii) Dividend History for Last 5 years:

Financial Year	Dividend Rate including Interim Dividend (Per equity share of ₹ 2/-)	
	₹/share	(%)
2009-10*	7.5	375
2008-09	6.5	325
2007-08	8.0	400
2006-07	8.0	400
2005-06	8.0	400

* includes proposed dividend of ₹ 2/- per share (100%)

(xiv) Distribution of Shareholding as on 30th June, 2010:

No. of Equity Shares	Shareholders		Total Shares	
	Number	(%)	Number	(%)
Upto 500	32809	84.90	4296786	1.97
501-1000	3020	7.82	2406359	1.10
1001-2000	1496	3.87	2197499	1.01
2001-3000	521	1.35	1308555	0.60
3001-4000	175	0.45	624050	0.29
4001-5000	143	0.37	660594	0.30
5001-10000	232	0.60	1703009	0.78
10000 and above	248	0.64	205061650	93.95
TOTAL	38644	100.00	218258502	100.00

(xv) Shareholding pattern as on 30th June, 2010:

Category	No. of shares	Percentage (%)
Promoters / Promoters Group	109656321	50.24
Mutual Funds / UTI	14428817	6.61
Financial Institutions / Banks	3940171	1.81
Insurance Companies	810255	0.37
Foreign Institutional Investors	72569119	33.25
Bodies Corporate	2178379	1.00
Indian Public	14193146	6.50
NRI / OCBs	482294	0.22
TOTAL	218258502	100.00

(xvi) Dematerialization of shares:

The shares of the Company are compulsorily traded in dematerialized form and are available for trading on both the depositories in India i.e. NSDL & CDSL. As on 30th June, 2010, 98.40% equity shares of the Company are held in dematerialized form.

The Company's shares are regularly traded on the NSE and the BSE in electronic form.

Under the Depository system, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE 236A01020.

(xvii) The Company has not issued any GDRs/ADRs.

(xviii) The Company has issued 2,10,59,515 warrants priced at ₹ 152.90 per warrant convertible into equal number of equity shares at a price of ₹ 152.90 per share including a premium of ₹ 150.90 per share to certain promoters on Preferential basis. Out of which 1,64,38,848 warrants have been converted into equal number of equity share of ₹ 2/- each leaving 46,20,667 warrants outstanding as on 30th June, 2010.

(xix) Plant locations:

- R.S. Nos: 34/4 to 34/7 and part of 34/1, Sedarapet, Puducherry - 605 111.
- R.S. Nos: 107/5, 6 & 7, Main Road, Sedarapet Puducherry - 605 111.
- Plot No. 77, 78, South Phase, Ambattur Industrial Estate, Chennai - 600 058.
- Plot No. 1, Melayanambakkam Road, Athipet, Ambattur Chennai - 600 058.
- Plot No. SPL. A2, Thattanchavadi, Industrial Area, Puducherry - 605 009.
- Plot Nos. 1, 2, 27 & 28, Sector 5, SIDCUL, Rudrapur, Distt. - Udham Singh Nagar, Uttarakhand - 263 145.
- F - 214, G - 215, EPIP, Sitapura Industrial Area, Jaipur, Rajasthan - 302 022.

(xx) Address for Correspondence:

The shareholders may address their communication/suggestions/grievances/queries to the Registrar and Share Transfer Agents at the address mentioned above, or to:

The Company Secretary
HCL Infosystems Limited
E - 4, 5, 6, Sector - XI,
NOIDA (U.P.) - 201 301.
Tel. No.: 0120-4203107,
Fax: 0120-2525196
Email: cosec@hcl.in

(xxi) Company Website:

The Company has its website namely www.hclinfosystems.in. This provides detailed information about the Company, its products and services offered, locations of its corporate office and various sales offices etc. It also contains updated information of the financial performance of the Company and procedures involved in completing various investors' related transactions expeditiously. The quarterly results, annual reports and shareholding distributions etc. are updated on the website of the company from time to time.

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of HCL Infosystems Limited

We have examined the compliance of conditions of Corporate Governance by HCL Infosystems Limited, for the year ended June 30, 2010, as stipulated in Clause 49 of the Listing Agreements of the said Company with stock exchange(s) in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreements.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Price Waterhouse
Firm Registration Number - 301112E
Chartered Accountants

Abhishek Rara
Partner
Membership No.77779

Place : Noida

Date : August 27, 2010