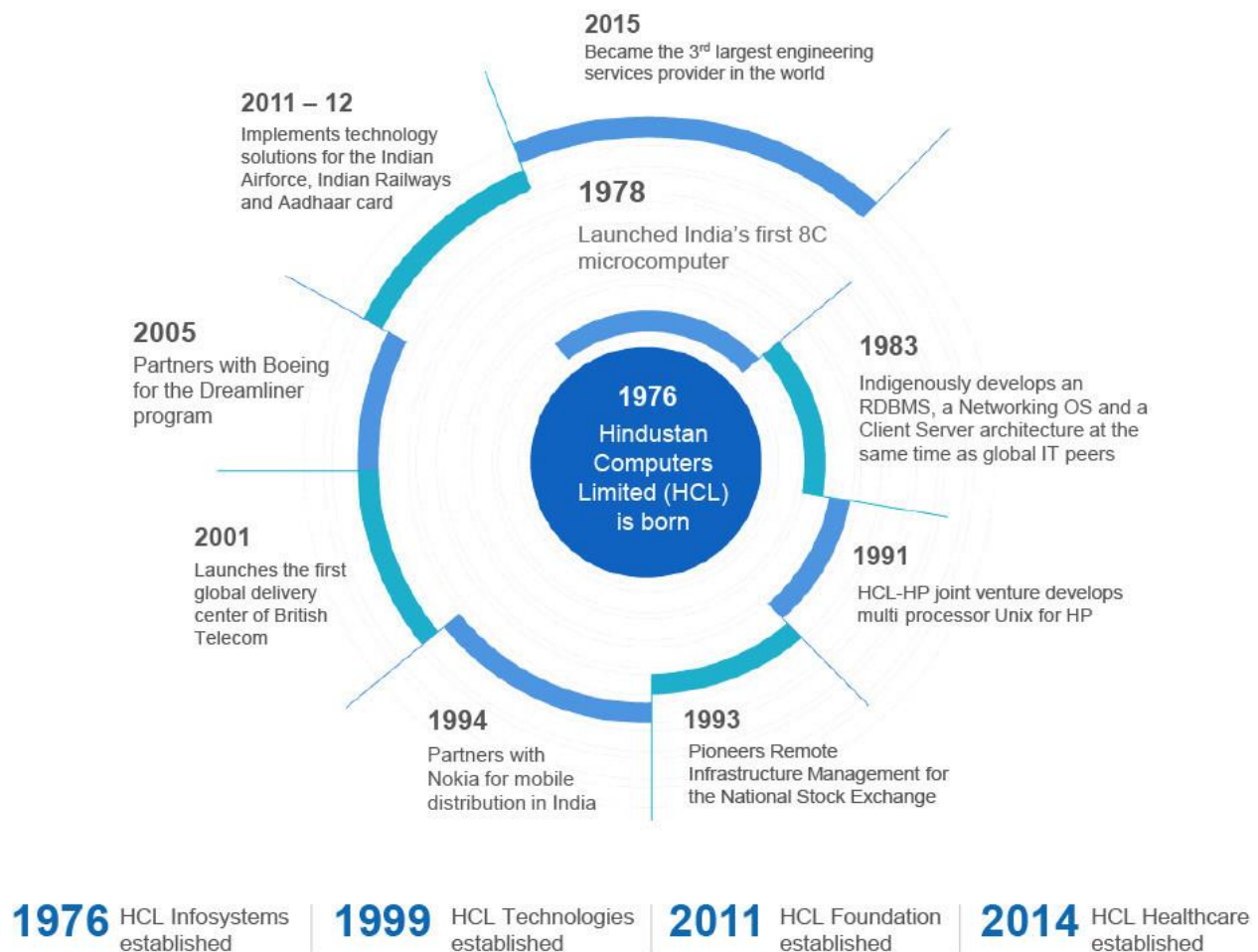




**REQUEST
FOR
INFORMATION**

History

HCL, also known to be Hindustan Computers Limited is a leading technology and IT driven company with the headquarters in Noida, Uttar Pradesh, India. A small garage startup by Mr. Shiv Nadar on 19th August 1976 in the field of Information Technology now marks its presence in almost every corner of the world including the continents such as Americas, Europe, Asia Pacific and Middle East. In Initial phase, A small enterprise named Microcomp limited started by 6 engineers by former employees from Delhi cloth and General Mills begin manufacturing of small scale computer calculators known as Teledigitals and later invented 8-bit microprocess computers. This business grew up and in 1976, that enterprise was changed named to HCL.



With expansion of business since following years, HCL Corporation got divided into 4 sub companies namely HCL Infosystems in the year 1986, HCL overseas in year 1992 which was later named as HCL technology, HCL Healthcare in the year 2014 and the latest one HCL Talent care to operate and maintain smooth functioning of the Global Enterprise.

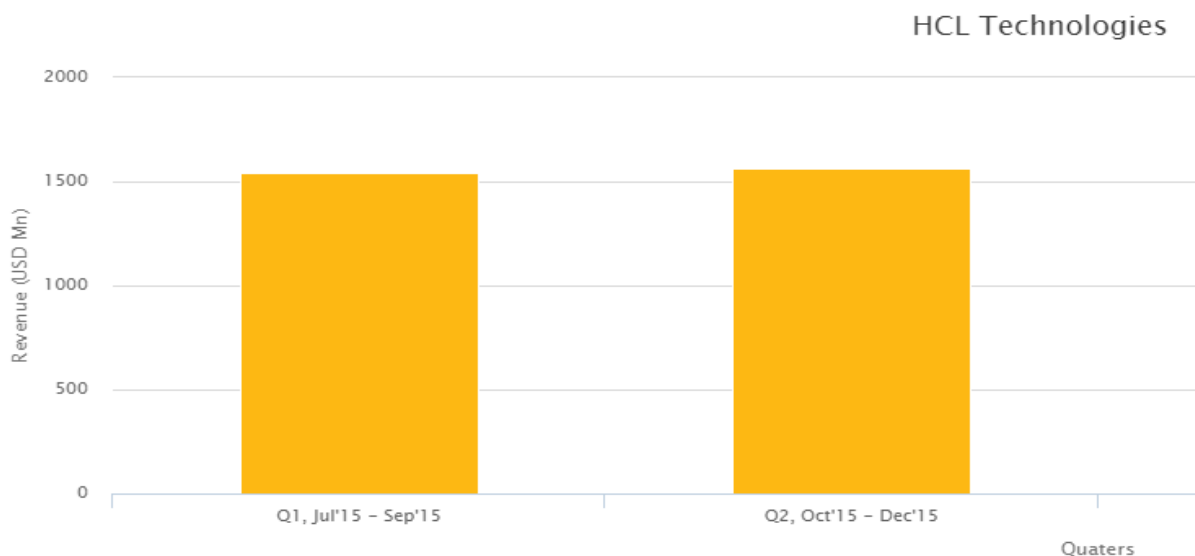
HCL technologies has been the backbone in era of emergence of the information technology in India with its Research and development division. It modeled one of its own kind networking operating system and Client server architecture in the year 1983 and since then it has been a key provider of software services.

HCL for the first time went global when it received its first foreign tender in early 2000 with the offshore client KLA – Tencor Corporation which deals in process control and management systems for electronics industries.

Today this global giant cater employment to more than 120,000 employees with annual revenue crossing 7.2 billion USD from 140 nationalities across 32 different countries. Its presence in India is so strong that it has more than 500 access points in only India and 14 only in Noida itself.

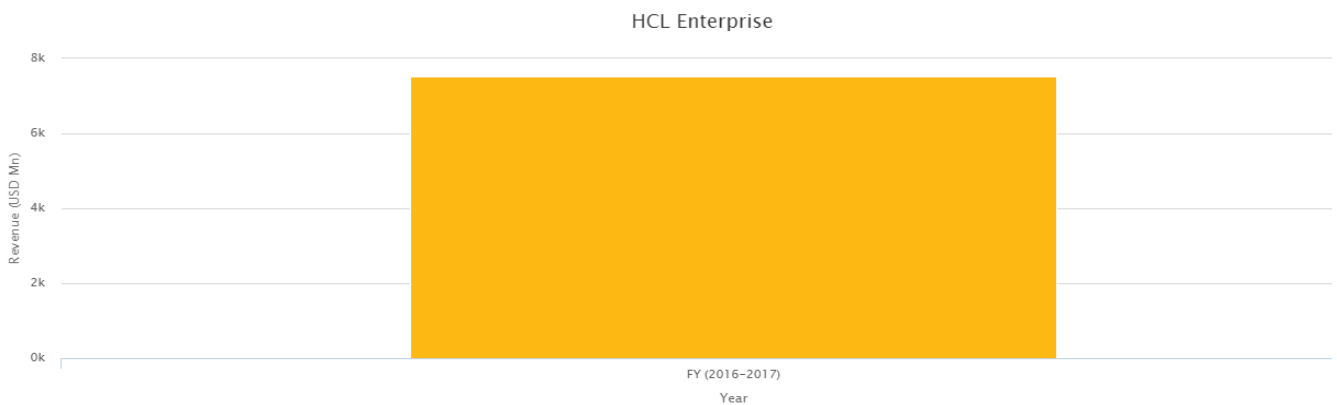
Financial Report of the Company

With over 1.55 billion USD earning per year and a business of 18.6 billion USD and current stock market price of ▲892.95 in NSE, HCL technologies being a publicly traded company holds a very strong position with 943th position in Forbes list of publicly traded companies globally and 38 in India. Around 40.32% share participates through the means of public funding and 59.62% share by the promoters.



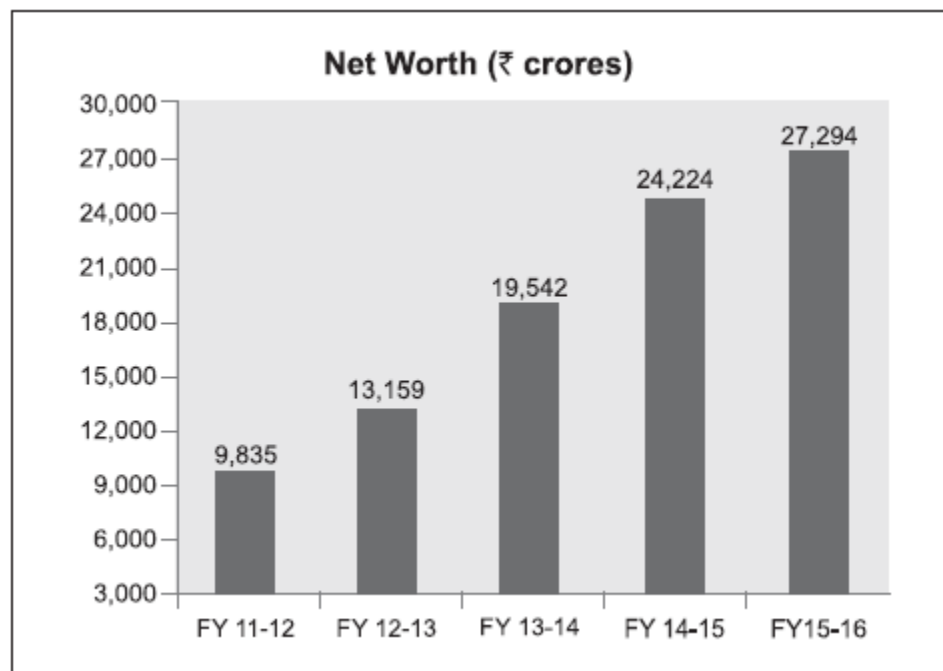
(Graph depicting Revenues of 2 quarter in year 2015, Ref <http://www.HCL.com/finance>)

As the CEO of HCL Technologies, a leading industry analyst demonstrated HCL as “consisted of a rolled-up sleeve up attitude and a no non-sense approach to business, determined, humbled, focused, quiet but aggrieve”. This is what makes HCL the market leader once again on various platforms such as LinkedIn “Indian most Sought-After Companies List” ranked as 1st for IT service Company, Institutional Investors “Most Honored Companies list in Asia” being ranked as 2nd and Nikkei Asia’s 300 Companies List” again as 2nd, with its currency growth revenue of 2.6% and dollar revenue of 3.7% with EBIT as 20.1% for first quarter of financial year 2018.



(Financial status of the year 2016 – 2017, Ref <http://www.HCL.com/finance>)

Even out of Asia, HCL has been providing with edge cutting technology and thus been awarded as the leader in Internet of things and “Gartner Magic Quadrant” by Matrix for IT Infra Automation and Gartner in 2017 in north of America. Within last quarter HCL even won many significant accounts specially in North America and Europe by Financial sectors where the organizations demanded to have user friendly interface for the mobile application which the HCL developed.



(Yearly growth of the Company, Ref. Annual report 2016)

HCL Technologies (HCLT) continues to outperform the Indian IT-BPO industry. During the year ending June 2012, HCLT's revenues grew by 17% YoY compared to revenue growth of 14% YoY for Indian IT-BPO industry. On a three-year Compound Annual Growth Rate (CAGR) basis, HCLT's revenue grew by 24% whereas the Indian IT-BPO industry revenues grew by 13% during the same period. On a five-year CAGR, HCLT's revenue grew by 24.4% as compared to the Indian IT-BPO industry revenue growth of 16%.

(₹ in Crores)

Particulars	Year ended			
	31 March 2016 (Nine months)	%	30 June 2015 (Twelve months)	%
Software services	18,234	59.2	22,179	60.4
IT Infrastructure services	11,074	36.0	12,825	34.9
Business Process Outsourcing services	1,473	4.8	1,697	4.7
Total Revenue	30,781		36,701	

(Revenue based on departments, Ref. Annual report 2016)

(₹ in Crores)

Particulars	Year ended			
	31 March 2016 (Nine months)	%	30 June 2015 (Twelve months)	%
US	17,925	58.2	20,140	54.9
Europe	8,212	26.7	10,065	27.4
India	957	3.1	1,457	4.0
Rest of the World	3,687	12.0	5,039	13.7
Total Revenue	30,781		36,701	

(Revenue based on Countries and its stand in the market, Ref. Annual report 2016)

Core Competencies of HCL

Primary Competency

1) Infrastructure

- i. IT infrastructure Management Services
- ii. Cloud Computing
- iii. Mainframes and S400
- iv. Data Center Services
- v. Network Services
- vi. DRYice
- vii. Service Integration and Management (SIAM)
- viii. Workplace Service

2) Applications

- i. Digital Consulting
- ii. Digital Application and Platforms
- iii. Business Analytics
- iv. SAP
- v. Oracle
- vi. Microsoft
- vii. Business Assurance and testing services
- viii. Application Development
- ix. Application Maintenance

3) Engineering

- i. Engineering and R&D services
- ii. Embedded Engineering
- iii. Hardware Product Engineering
- iv. Mechanical Engineering
- v. Product lifecycle and management
- vi. Product Testing
- vii. Software product engineering

4) Business Process

- i. Business Process Services (BPS)
- ii. EFaaSTM
- iii. Financial and Accounting outsourcing (FAO)
- iv. Human resource outsourcing (HRO)
- v. Knowledge process outsourcing (KPO)
- vi. Supply chain Management outsourcing

Secondary Competency

- A. **Financial Service** – Banking, Insurance, Capital Markets.
- B. **Public Services** – Energy and Utilities, Mining and natural resources, Oil and Gas, Government, Travel transport and Logistics.
- C. **Consumer Services** – Media and Entertainment, Retail, Consumer Goods, Telecom.
- D. **Life science and Healthcare** – Pharmaceuticals and Biotech, Medical Devices, Payers, Providers, Contract research organization.
- E. **Manufacturing and Hi-Tech** – Industrial Manufacturing, Consumer electronics, Aerospace and defense, Automotive, Semiconductors, Servers and storages, Independent software vendors, Chemical and process industries.

Banking through HCL

As said by the ex-president cum ex-CEO Mr. Anand Gupta of HCL Technologies that - “The banking industry is taking bold steps toward cloud deployments and digital integration with surrounding applications and platforms. Thus, many of the banking clients are looking for modernization of their legacy platforms while simultaneously managing the increasing demands for data analytics services, multi-channel deployments, and increasing regulatory compliance requirements”.

Digital disruptions are forcing banks to rethink operating models. Today, customer demand real-time interaction, service immediacy, and transparency. They want an experience at par with that of Uber or Amazon. Start-ups like TransferWise and Simple Tax have identified this need, providing greater convenience in conducting transactions. The implementation of regulatory directives like PSD2 will result in banks competing with everyone offering financial services.

With their dominance under threat, banking organizations are embarking on a trajectory for change. With articulating next-gen retail banking, traditional players are striving to reposition themselves as technology platform firms with a banking license. HCL is investing in FinTechs, APIs, application modernization, and cognitive computing to facilitate this transition.

Our Mode 1-2-3 approach ensures that banks evolve in line with disruptions in the ecosystem and rapidly changing customer dynamics. We enable organizations to become future-proof by fostering strategic partnerships

We have entered into a joint venture agreement with DXC Technology to specifically focus on application modernization, API related services, and product functionality enhancements. Our partnership with IBM Watson enables us to develop solutions in the automation and AI space and deliver cognitive capabilities to existing platforms. DRYICE, an autonomies and orchestration framework, drives efficiency by automating both standard and non-standard tasks.

HCL believes in a collaborative approach and delivers co-innovation lab offerings to clients. Our co-innovation lab in London has 150 professionals working with emergent technologies for applied innovation.

Some of our key achievements in the banking domain are –

- Partner for distributed agile transformations at Commonwealth bank of Australia
- Digital transformation in lending for IPF
- Cloud transformation for DNB Bank of Norway
- ABP for Commonwealth bank of Australia

❖ Why only HCL?

HCL driven with next generation innovation and technological advancement in the field of Internet of thing, Cloud, Automation, Cybersecurity, Data Analytics, Infrastructure management and Engineering services thus making human life easier through powerful approach of 1-2-3 Model. Also, we have been awarded by 2017 brand finance study as the fastest emerging IT brand around the globe. Some of the achievements by HCL

- 1) Alternate Application and Support Maintenance which is the industry best automation and analytics platform to enable 360 – degree application support and management.
- 2) Framework such as cXstudios™ which is an application development delivery framework which unlocks future ready digital operating models.
- 3) Misys fusion banking Essence which provides the best service oriented architecture (SOA) and a Java framework to build a sustainable and streamlined business model.
- 4) Misys fusion banking loan – IQ interface is an expertise across loan originations and servicing.
- 5) Risk and Compliance Management provides and integrated view on internal and external cases of fraud through data accuracy, Compliance tools and business intelligence.

❖ What all Information Technology can serve a banking Enterprise?

- **Transversal of total architectures of BPOs**
 - i. Through **Automated Systems** which helps cutting down the time through automated query systems.
 - ii. **Cloud Storage** for storing of data is mandatory in today's world to quickly and easily retrieve data
 - iii. Today, increasingly effective communication channels, such as **instant messengers, mobile apps, social networking platforms, and video calls** have gained momentum. The latest advances in communication technology are rapidly embraced to facilitate easy and quick resolutions to queries.

- iv. Functioning of any financial organization in real world based on current scenario using **Big data and Analytics**.

- **Creating of Commercial Models**

The intense competition today has increased the demand for innovation from both large and small companies alike. Organizations currently find it extremely difficult to meet this demand through their existing ecosystems. With the outsourcing industry attaining maturity and the extensive change in business dynamics, these organizations are looking for strategic partners who can not only provide sustained financial and operational benefits, but also bring in a culture of innovation in the field of:

- I. Redefining Payment systems with the help of modelling to reduce or minimize the transaction fees in the case of online payment, Peer to peer and Peer to machine transfers.
- II. Managing large volumes of data generated through diverse banking channels such as online banking, customer call centers, bank branch, mobile application, etc.
- III. On-the-go banking has made the old ways of fulfilling customer demands through branches and one-to-one financial advisory, increasingly difficult. Coupled with vast volumes of data, cultural constraints, and new regulatory frameworks, banks must find ways to cope with these new transformational changes.
- IV. Using digital technology, financial institutions must now lay greater emphasis on improving customer engagement and providing them with a richer experience.

Therefore, the need of the hour is that service providers start thinking differently and moving away from traditional, effort-led growth models to focusing on outcome-based pricing models instead, which are not linear to employee headcount as a condition for growth.

This whitepaper shares a high-level framework enabling the movement from Full Time Employees(FTE) pricing to value based pricing model. In this service provider is responsible for bringing operational efficiencies and managing key end-to-end operational KPI, such as:

- FTE productivity
- Occupancy
- Cycle time
- Service level

In this whitepaper, we illustrate some of the alternate pricing models that could help a company reduce its dependence on high cost T&M pricing models by replacing them with SLA-based models

for managed services, with outcome or subscriber-based pricing (value based pricing). Download the [whitepaper](#).

- For **Banking and Financial enterprises**, HCL has launched GDPR services to provide cyber security. This helps the organizations to monitor and operate in compliance, including data privacy, surveillance, enabling detection and response without delay when data infringement occurs.

❖ **HCL a prime player in the field of Banking technology**

HCL is a leading provider of application, business process and infrastructure services to the Global Banking and Financial services (BFSI) sector. Revenues from BFSI comprise over 25% of HCL total revenues, HCL BFSI has been one of the fastest growing segments of HCL, and has consistently grown faster than its BFSI peers over the past several years. This market-leading growth is driven by a balanced set of services across the entire life cycle of the IT Support and development process. HCL has significant and enduring Global relationships with some of the leading institutions in the BFSI sector. This breadth of experience across the BFSI segment and the depth of expertise across the life cycle in IT services coupled with HCL's value-focused approach differentiates HCL from the rest. HCL has helped many financial service organizations create an unparalleled, personalized customer experience, to gain competitive advantage, through:

- **Back-and Front-end Integration of interaction channels:** With digital banking becoming the core of customer relationships, banks have begun differentiating themselves by delivering an exclusive user experience. To deliver, the back-end system/process must be both flexible and scalable, so that new initiatives can be undertaken without substantial investment. By focusing on reaching the customer through an integrated Omni-channel strategy, HCL's DSI can help financial service organizations convert each customer channel into a revenue driver.
- **Mass personalization:** Through integrated data-based decisions, HCL's DSI helps financial organizations launch customer-centric products and services, keeping in mind the specific/individual needs of every customer, thereby creating a meaningful, personalized experience without the added cost of advisory staff.
- **Digital operations transformation:** Through targeted investments in newer technologies (social media, analytics, cloud, mobility, and more) financial institutions can gain sustainable competitive advantage by focusing on the business requirements of the digital consumer. HCL's DSI helps banks extend richer features through mobile banking and creating community collaboration platforms on websites.

❖ Investment of HCL in the field of Banking

Global IT leaders CSC (NYSE: CSC) and HCL Technologies (BSE: HCLTECH) are about to form a joint venture agreement to form a banking software and services company. The joint venture will invest in platform modernization and product functionality enhancement and will capitalize on the proven capabilities of both companies in addressing the multi-billion-dollar, global core banking software market.

CSC, which currently serves over 100 premier banking and financial services clients in 15 countries, will provide its core banking, cards, payments and default management industry talent, software and product development expertise. HCL will provide capital investment, extensive experience in product engineering and application implementation services, as well as banking sales and client engagement expertise.

The jointly owned entity will be able to draw on the collective vision and expertise of CSC and HCL to capitalize on the huge opportunity the market offers. The combination of the unique assets from both companies will allow banking customers to better seize on the power of risk-managed modernization and take advantage of a more scalable global services footprint. The benefits and capabilities of the new company include:

- Strengthening ongoing support for existing banking clients looking to extend the useful life of and investment in their current platforms;
- Reaffirming the commitment to enhance and expand CSC's core banking and cards platforms Hogan and CAMS into modernized end-to-end solutions under the Celeriti suite;
- Advancing digital banking transformation solutions in conjunction with other partners.

❖ Variety of Solutions offered by HCL to cater Banking requirements –

- **Operating Model Optimization:** Through Consolidation of Vendors & Locations and Standardization across similar functions performed in different geographies.
- **Toscana® - HCL's proprietary BPM Tool:** Toscana® optimizes the process via auto Work Distribution, Prioritization, Exception & Approval Management, Audit Trails, Compliance, SLAs Management, driving efficiencies.
- **Robotic Process Automation (RPA):** Leveraging Robotic Process Automation to help organizations become leaner and agile through DRYCETM framework.
- **Lean & Six Sigma:** Process improvements through adopting a lean approach as part of our operations delivery

❖ HCL's successful Business Examples

1. HCL Helped a Leading Bank in UK to implement next-gen CRM solutions for providing a single view of the customer by creating CRM center of excellence and create a robust enterprise service for impacting 10,000+ users

2. HCL helps one of the world's largest Bank reduce testing efforts through QEx Automation platform.

Client is one of the largest banks in the world and its three operating segments are:

- Corporate and Investment Banking,
- Private Clients and Asset Management, and
- Corporate Investments

Incurring high testing costs, HCL client intended majorly to reduce it through decreased dependency on Manual testing procedures.

3. HCL transforming Design to fulfillment media operations for UBM

Key Features

The key elements of the business services proposed by HCL were:

- Content management technology: Implementation of a single editorial collaboration and production workflow operating across all publications and integrating with web and print channels eliminating redundancy in editorial content ingestion for each channel.
- Revenue and fulfillment management: Implementation of Ad Revenue Management & Circulation Data Management System with tight integration and common database for managing customers across the various product categories including magazines, directories, books, etc.
- Platform-based services: Provision of a Platform-as-a-Service offering, with HCL funding the workflow software provision from the initial "lift and shift", and pricing the contract purely on the number of transactions e.g. per page, per ad
- Hub-n-spoke delivery model: Onsite-light (spoke) and offshore-heavy (hub) resource deployment replacing much of the high-cost resource with lower-cost resource; process outsourcing evaluation done by functions to create the model
- Websites/ mobile devices: Transition to new Ad Serving Platform from a legacy platform to enable geo-targeted ad serving; implementation of production processes for delivering tablet-based editions for Ipad and mobile devices; redesigning of process.

Transition

The transition commenced with a complete lift-and-shift of the publisher's onshore media production unit.

At the time of contract commencement, the publisher employed 100+ personnel in its onshore media production unit. These personnel were transferred to HCL on day one.

These personnel had originally all been onshore and organized by production stream e.g. magazine production, directory production, web production, etc. Over the next 12-months, HCL created a hub-n-spoke model with primary delivery center (hub) in Chennai, India and a US-based onsite team in Duluth, Minnesota (spoke) with the final delivery structure being Service delivery from the U.S., covering design/ art direction, production management and client services, where local customer communication is important, across multiple production and publishing categories Service delivery from India, consisting of 100 FTEs covering page design/ composition, production management, directory production, fulfillment and web operations The change management of the initial personnel transferred consisted of three phases:

- A first batch of onshore personnel released after 4 months
- A further batch of onshore personnel released after 6-12 months Personnel in customer-facing art direction and product management roles, retained for the life of the contract.
- The transition to the hosted editorial collaboration and workflow platform took place over 6- 9 months, with this implementation and the migration of data from legacy systems to the new system being funded by the transfer of personnel from onshore to India.

The new editorial collaboration and workflow system enables all contributors to the design-to-production process to work using a common communication and information base. The new system also uses "First-XML" approach to remove the need for separate print and online production stream.

Governance Model

HCL was awarded a 5-year business services contract. The basis of pricing for the service is variable according to levels of output, with transactional pricing being implemented on a per page and per ad produced basis. This transactional pricing includes all charges for the implementation and hosting of the new workflow and collaboration platforms, with this initially financed by the transfer of activities offshore. Accordingly, the service is provided as a Platform-as-a-Service incorporating hosted workflow and collaboration software and multi-shore personnel, and priced per transaction with no initial charges.

Results

The principal results of the implementation of this service using a Platform-as-a-Service approach to page production are:

- I. Improved “speed-to-market” from the previous print-centric model with print and online “pages” being produced from a common production process rather than two entirely separate design and production processes
- II. A 30% reduction in media production costs.
- III. The introduction of a variable cost base, with the cost of the media production service now dependent on the numbers of pages, e-newsletters, marketing campaigns, ads, etc.
- IV. Cost-efficient collaboration between editors and designers with a common workflow used for design and page production.
- V. Breakdown of design and production processes from highly verticalized processes to more scalable horizontal processes across publication streams.
- VI. Hub-n-spoke model enabling onsite-light and offshore-heavy resources; enabling reduced operational costs and better scalability.
- VII. Improved work scheduling and management.

❖ What Makes us “THE BEST”?

Market and global presence in almost all fields, starting from Modern computational methods to offering ideal healthcare services to make life more interesting and enjoyable to live. The working environment at HCL is so peaceful, flexible and employee friendly that every employee loves doing his job and in turn we offer the best experience to our customers. Also, the after sales support and service is offered by HCL is more than expectation with our 24*7 client support and 2 months training program offered by HCL to the client’s engineers so that they can make the best use of the technology.



❖ How the best can be provided to the customers?

Transformation of organizations from transaction fee-based legacy data system to a digitalized institution which can reorganize the digital disruption occurring in the market and hence adapting to newer models of business and ways of engaging customers. Financial companies require integrated digital approach for transformation of their business process. HCL’s Technology on Digital System Integration (DSI) enables enterprises to shift gradually from a legacy burdened system to a digitalized workspace.

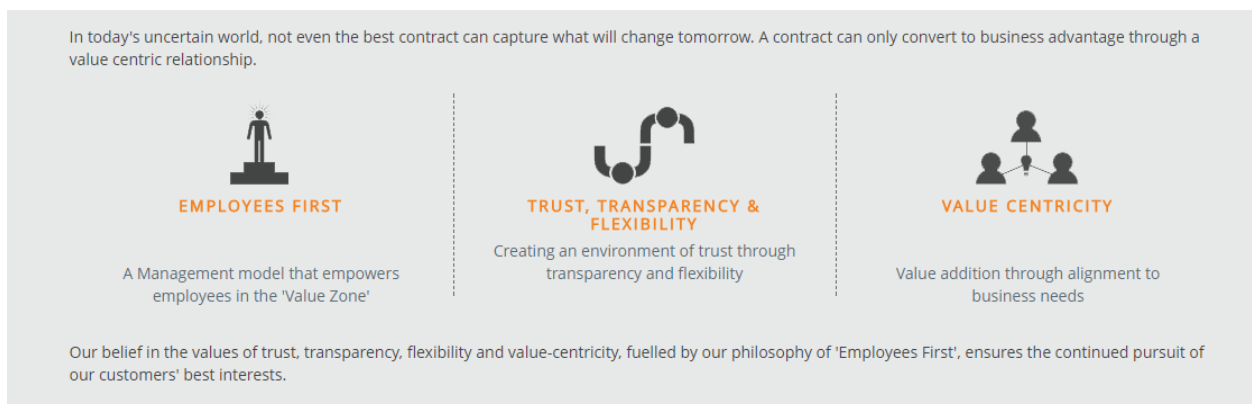
As a truly digitized bank can only service customers anytime and anywhere, a leapfrog approach is adopted to carry out transition from legacy systems modern digitalized banking environment by reducing the modernization cost. Also with the help of industrialized approach, data is automated and integrated to handle queries quickly, accurately, and with full control. Next generation architecture on mobility and the enablement of seamless peer-to-peer payment system boosts HCL’s DSI to enables a digital banking landscape that is integrated, agile and cooperative, ensuring a great customer experience with satisfaction.

❖ Entrepreneurship converting into Ideapreneurship

With the diverse learning environment and employee friendly company, HCL promotes the spirit of Entrepreneurship helping Employees to research and innovate newer technology, develop manage and improvise its current technology and to file patents on that basis. With 21 Patents filed in just 2017, HCL collaborates, promotes and funds research and development of Improved IT services.

❖ What makes us different from our competitors?

The policy which extends beyond the contract relationship makes us differ from our competitors which helps in developing robust business relations and Our ideology of Employees First, Customer second became the foundation of organizational pyramid creating an ecosystem driven of innovation with proactively and productively working for the company and the clients. Our responsibilities go beyond the miles for customers involving their participation with customer advisory council, providing platforms for leader and community giveback initiative.



❖ How do we fulfill them?

We at HCL provide with services in holistic manner via innovative engagement models which rely on customer's expectations and simultaneously meeting the regulatory requirements. Different types of services are offered in multiple domains: -

1. Credit card and Payment Management Services	2. Cash Management
3. Commercial and Corporate Lending	4. Consumer Lending
5. Core Banking	6. Risk Management and Banking Integration
7. Financial Accounting and Software Application	8. Treasury Management Software and Solutions

1. **Credit card and Payment Management Services:** HCL's Cards micro-vertical delivers end-to-end retail financial services for both credit and debit cards, from card origination to credit card payments.
2. **Cash Management:** HCL's integrated cash management system reduces governance and management expenses, thereby ensuring complete customer satisfaction.
3. **Commercial and Corporate Lending:** HCL provides end-to-end solutions across commercial lending and corporate lending, empowering banks to control operational costs.
4. **Consumer Lending:** HCL has extensive industry expertise in consumer lending in the areas of collection and collateral management.
5. **Core Banking:** HCL's core banking solutions cover the entire gamut of functionalities, from customer views to niche zones such as funds transfer.
6. **Risk Management and Banking Integration:** HCL's banking solutions are geared for enhanced visibility and augmented control, preempting operational risks and fraudulent transactions.

7. **Financial Accounting and Software Application:** HCL provides an array of solutions for financial software applications across the entire trade finance value chain.
8. **Treasury Management Software and Solutions:** HCL has proven capabilities in developing treasury management application suites and providing technical support for multiple asset class management.

❖ Our Success story in the field of banking.

Everest group awards HCL technologies as the best “Retail Banking BPO – State of Art with Peak Matrix™ Assessment 2016”. Retail banking along with Strong capability in regulatory and risk management support helped us to gain this prestigious title.

“Retail banking as a market has seen increasing adoption of automation, leading to revenue cannibalization for most providers, especially those focused on more rule-based tasks,” said **Manu Aggarwal, Practice Director, Everest Group**. “In such an environment, HCL, with its strong capabilities in judgment-driven processes such as risk & compliance, regulatory reporting, etc., has been able to not only defend its position but also grow in a space undergoing massive transformation.”

“HCL is proud to be positioned among leaders for Retail Banking BPS by Everest Group. This recognition underscores HCL’s strengths in automation-based offerings, deep domain expertise, flexible engagement models and a unique portfolio of digital and technology-led solutions across retail origination, helping clients optimize business processes and achieve better business outcomes,” said **Anoop Tiwari, Corporate Vice President and Global Head – Business Services, HCL Technologies**.

For over a decade, HCL has been providing a range of Business Services to its retail banking clients, covering savings & deposits, loans, underwriting, KYC/AML, customer acquisitions and multi-product services. With rich experience in retail banking domain, HCL has been at the forefront, addressing the changing needs of industry participants through technology and automation-led solutions and service offerings which transform business operations. HCL’s focus on digitizing operations helps clients deliver enhanced customer experience and resolve customers’ business challenges, which tremendously assists in creating deep customer relationships.