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ISO 14001 Standard

HIMACHAL FUTURISTIC COMMUNICATIONS LTD.

8, Commercial Complex, Masjid Moth,
Greater Kailash-II, New Delhi-110 048, India

Tel. : (91 11) 3088 2624, 3088 2626

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HFCL/SEC/12-13/
May 30, 2012

BY COURIER

FAX NO(S) : 022-26598120

To
The Secretary
National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block
Bandra-Kurla Complex,
Bandra (East),
Mumbai-400 051

Dear Sir,

Re: Audited Financial Results for the year ended 31st March, 2012

Enclosed please find herewith the Audited Financial Results along with Consolidated Financial Results of the Company for the year ended 31st March, 2012 which have been approved by the Board of the Directors at its meeting held on 30th May, 2012. Arrangements have also been made to publish the Financial Results in the Newspapers.

This is for your information and record please.

Thanking you,

Yours Faithfully,
For **Himachal Futuristic Communications Limited**

(Manoj Baid)
Company Secretary

Encl.: as above

HIMACHAL FUTURISTIC COMMUNICATIONS LIMITED

Regd. Office : 8, Electronics Complex, Chambaghat, Solan-173213 (Himachal Pradesh)

AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2012

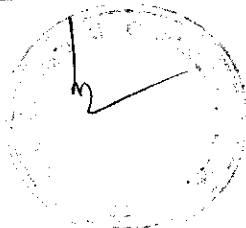
(Rs. in lacs)

Sl. No.	Particulars	Three months ended 31st March	Preceding Three months ended 31st December	Corresponding Three months ended 31st March	Financial Year for Twelve months ended 31st March	Financial Year for six months ended 31st March	Consolidated results for the twelve months ended 31st March	Consolidated results for the six months ended 31st March
		2012	2011	2011	2012	2011	2012	2011
		Audited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
1	Income from operations							
	Net sales/income from Operations (Net of excise duty)	9,225.66	7,019.91	4,249.12	26,070.78	8,641.47	26,100.89	8,647.24
2	Expenses							
a)	Cost of materials/services consumed	2,478.42	1,206.06	1,380.81	5,033.22	2,479.47	5,086.18	2,454.00
b)	Purchases of stock-in-trade	1,073.65	2,452.60	1,644.73	8,534.25	3,996.09	8,496.49	3,996.09
c)	Changes in inventories of finished goods, work in progress and stock in Trade	298.19	(6.00)	52.57	24.10	69.03	24.10	69.03
d)	Employee benefits expenses	1,741.33	945.48	490.90	3,840.13	877.11	5,332.27	1,781.89
e)	Depreciation/Impairment and Amortisation expenses	391.29	392.23	8,423.87	1,506.52	9,075.21	1,543.15	9,097.46
f)	Other expenses	1,533.94	1,258.71	917.92	4,010.70	1,924.36	5,758.62	2,203.92
g)	Bad debts, advances & Miscellaneous balances written off (net)	803.98	-	11,114.91	803.98	11,115.69	826.20	11,115.69
	Total	8,320.80	6,249.08	24,025.71	23,752.90	29,536.96	27,067.01	30,718.08
	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	904.86	770.83	(19,776.59)	2,317.88	(20,895.49)	(966.12)	(22,070.84)
4	Other Income	2,103.10	214.45	901.43	2,774.51	1,319.76	4,038.30	1,658.69
	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	3,007.96	985.28	(18,875.16)	5,092.39	(19,575.73)	3,072.18	(20,412.15)
6	Finance costs	1,039.76	767.98	1,117.95	3,349.39	2,535.39	8,785.23	4,553.58
	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	1,968.20	217.30	(19,993.11)	1,743.00	(22,111.12)	(5,713.05)	(24,965.73)
8	Exceptional items - expenses /(income)	595.81	-	(22,169.47)	595.00	(26,134.77)	595.00	(26,134.77)
	Profit/(Loss) from ordinary activities before tax (7-8)	1,372.39	217.30	2,176.36	1,148.00	4,023.65	(6,308.05)	1,169.04
10	Tax expenses	75.68	-	2.12	75.68	2.12	80.60	2.12
	MAT credit Entitlement	70.56	-	-	70.56	-	70.56	-
	Net Profit/(Loss) from ordinary activities after tax (9-10)	1,367.27	217.30	2,174.24	1,142.88	4,021.53	(6,318.09)	1,166.92
12	Extraordinary items - expenses /(income)	-	-	-	-	-	-	-
	Net Profit/(Loss) for the period (11-12)	1,367.27	217.30	2,174.24	1,142.88	4,021.53	(6,318.09)	1,166.92
14	Share of (profit) / loss of Associates	-	-	-	-	-	360.03	124.97
15	Minority interest	-	-	-	-	-	-	-
	Net profit/(loss) after taxes, minority interest and share of profit/(loss) of associates (13-14)	1,367.27	217.30	2,174.24	1,142.88	4,021.53	(6,678.12)	1,041.95
17	Paid-up Equity Share Capital	12,393.77	12,393.77	9,923.95	12,393.77	9,923.95	12,393.77	9,923.95
	Face value of	Face value of	Face value of	Face value of	Face value of	Face value of	Face value of	Face value of
18	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	-	45,176.11	22,200.06	(8,158.22)	(23,313.29)
19	Earning per Share(of Re 1/- each) - (not annualised)							
(a)	Before Extraordinary items - Basic	0.10	0.008	0.21	0.057	0.38	(0.66)	0.08
	- Diluted	0.10	0.008	0.18	0.057	0.35	(0.66)	0.08
(b)	After Extraordinary items - Basic	0.10	0.008	0.21	0.057	0.38	(0.66)	0.08
	- Diluted	0.10	0.008	0.18	0.057	0.35	(0.66)	0.08
A	PARTICULARS OF SHAREHOLDING							
1	Public shareholding							
	- Number of shares	75,97,99,800	75,97,99,895	51,28,18,158	75,97,99,800	51,28,18,158	75,97,99,800	51,28,18,158
	- Percentage of shareholding	61.30	61.30	51.67	61.30	51.67	61.30	51.67
2	Promoters and promoter group shareholding							
a)	Pledged / encumbered : No. of shares	10,56,000	10,56,000	10,56,000	10,56,000	10,56,000	10,56,000	10,56,000
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.22	0.22	0.22	0.22	0.22	0.22	0.22
	Percentage of shares (as a % of the total share capital of the company)	0.09	0.09	0.11	0.09	0.11	0.09	0.11
b)	Non- encumbered : No. of shares	47,82,43,214	47,82,43,119	47,82,42,999	47,82,43,214	47,82,42,999	47,82,43,214	47,82,42,999
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.78	99.78	99.78	99.78	99.78	99.78	99.78
	Percentage of shares (as a % of the total share capital of the company)	38.59	38.59	48.19	38.59	48.19	38.59	48.19

Particulars	Three months ended 31st March, 2012
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	NIL
Received during the quarter	5
Disposed of during the quarter	5
Remaining unresolved at the end of the quarter	NIL

Segmentwise Revenue, Results and Capital Employed

Sl. No.	Particulars	(Rs. in lacs)					
		Three months ended 31st March	Preceding Three months ended 31st December	Corresponding Three months ended 31st March	Financial Year for Twelve months ended 31st March	Financial Year for six months ended 31st March	Consolidated results for the twelve months ended 31st March
		2012 Audited	2011 Unaudited	2011 Unaudited	2012 Audited	2011 Audited	2012 Audited
1 Segment Revenue							
a. Telecom Products		977.34	886.89	1,374.64	3,810.00	2,773.51	11,788.82
b. Turnkey Contracts and Services		8,248.32	6,133.02	2,874.48	22,260.78	5,867.96	14,295.03
c. Others					-	-	17.04
Total		9,225.66	7,019.91	4,249.12	26,070.78	8,641.47	26,100.89
Less: Inter segment revenue		-	-	-	-	-	15.18
Net Sales/Income from Operations		9,225.66	7,019.91	4,249.12	26,070.78	8,641.47	26,100.89
Segment Results Profit/(Loss) before tax and interest for each segment							
2							
a. Telecom Products		(2,479.28)	(1,045.09)	(11,440.75)	(4,902.91)	(8,683.03)	(4,902.91)
b. Turnkey Contracts and Services		3,158.31	1,990.40	250.02	7,617.48	510.13	5,584.59
c. Others					-	-	12.69
Total		679.03	945.31	(11,190.73)	2,714.57	(8,172.90)	694.37
Less: i. Interest		1,039.76	767.98	1,117.95	3,349.39	2,535.39	8,785.23
ii. Other un-allocable expenditure net off un-allocable income		(1,733.12)	(39.97)	(14,485.04)	(1,782.82)	(14,731.94)	(1,782.81)
Total Profit before Tax		1,372.39	217.30	2,176.36	1,148.00	4,023.65	(6,308.05)
3 Capital Employed							
a. Telecom Products		28,879.32	30,087.13	33,035.32	28,879.32	33,035.32	(27,123.07)
b. Turnkey Contracts and Services		6,724.46	6,601.42	6,771.59	6,724.46	6,771.59	7,681.49
c. Others					-	-	39.12
Total capital employed in segments		35,603.78	36,688.55	39,806.91	35,603.78	39,806.91	(19,402.46)
Add: Un-allocable corporate assets less liabilities		30,016.10	27,585.65	367.10	30,016.10	367.10	7,116.91
Total capital employed in Company		65,619.88	64,274.20	40,174.01	65,619.88	40,174.01	(12,285.55)



Notes :

- 1 The above Audited standalone and Consolidated financial results of the Company for the year ended 31st March, 2012 as reviewed by Audit committee were approved by the Board of Directors at their meeting held on 30th May, 2012.
- 2(a) Extracts of audit qualifications:
 - i) The Company has accounted for the impact of Rework CDR Package, however, compliance of few conditions are still in process.
 - ii) Adequacy of provisions for doubtful debts.
 - iii) Balances of some of the sundry debtors, creditors, lender and loans and advances are subject to confirmations / reconciliations and adjustments, if any.
 - iv) The Company has paid remuneration to managerial personnel during the year for which the approval of Central Government is pending.
- (b) Management comments:
 - i) The Company has complied with most of the conditions as stipulated in Rework CDR Package and the remaining are in process of compliance.
 - ii) The Company has made adequate provisions for doubtful debts.
 - iii) The Company obtains the confirmations from sundry debtors, creditors, lenders etc in ordinary course of business.
 - iv) The Company has received necessary approval from the Central Government for the re-appointment and payment of remuneration to Wholetime Directors for the Financial Year 2007-2008, 2008-09 and part Financial Year 2009-10 for Rs.27,463,608. The Company also filed the necessary application with the Central Government seeking their approval for re-appointment and payment of remuneration to Wholetime Director for the Financial Year 2009-10 and onwards which has not been approved by the Central Government. However, since the Financial Year 2007-08, the company has so far paid Rs.6,43,95,693 as remuneration to Whole time Directors. As the approval of Central Government received is of lesser amount than the actual remuneration paid for the aforesaid period, the excess amount of Rs.3,69,32,085 paid continues to be shown as recoverable. The Company is in the process of making representation to the Central Government for seeking their approval for the entire amount of remuneration paid to them.
- 3 During the quarter under review, payments made to lenders of promoted companies towards guarantee obligation amounting to Rs.595.81 lacs has been accounted for under the head Exceptional items.
- 4 The Figures of the last quarter ended 31st March, 2012 are the balancing figures between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year.
- 5 The figures of the current period are not comparable with those of previous year as current period is for Twelve months as against period of six months for previous year.
- 6 Till the year ended 31st March, 2011, the Company was using pre-revised schedule VI of the Companies Act. 1956 for preparation of its financial statement. During the year ended 31, March, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the Company. Accordingly figures of the previous period have been regrouped/rearranged wherever considered necessary .



By order of the Board

(Mahendra Nahata)
Managing Director

Place : New Delhi
Date : 30th May, 2012

(Rs. in lacs)

Statement of Assets and Liabilities		Standalone		Consolidated	
		As at 31st March	As at 31st March	As at 31st March	As at 31st March
Particulars		2012	2011	2012	2011
A	EQUITY AND LIABILITIES				
(1)	Shareholders Funds				
	(a) Share Capital	20,443.77	17,973.95	20,443.77	17,973.95
	(b) Reserve & Surplus	45,176.11	22,200.06	(8,158.22)	(23,313.29)
	Sub-total - Shareholder's funds	65,619.88	40,174.01	12,285.55	(5,339.34)
(2)	Loans Pending conversion into equity	-	24,303.01	-	24,303.01
(3)	Minority Interest	-	-	-	-
(3)	Non- Current Liabilities				
	(a) Long Term Borrowings	21,692.09	22,970.71	21,693.59	22,975.21
	(b) Other Long Term Liabilities	61,867.47	61,855.46	61,867.47	61,855.46
	(c) Long Term Provision	123.09	121.39	988.24	1,155.11
	Sub-total - Non-current liabilities	83,682.65	84,947.56	84,549.30	85,985.78
(4)	Current Liabilities				
	(a) Short Term Borrowings	9,736.54	15,238.73	17,386.16	21,699.64
	(b) Trade Payables	3,332.03	5,297.08	18,285.92	19,232.82
	(c) Other Current Liabilities	6,951.04	3,585.55	43,275.21	35,463.04
	(d) Short Term Provision	97.80	26.90	97.61	85.88
	Sub-total - Current liabilities	20,117.41	24,148.26	79,044.90	76,481.38
	TOTAL - EQUITY AND LIABILITIES	1,69,419.94	1,73,572.84	1,75,879.75	1,81,430.83
B	ASSETS				
(1)	Non Current Assets				
	(a) Fixed Assets	10,698.42	10,327.75	11,042.58	10,845.15
	(b) Non- Current Investments	96,982.04	1,03,413.04	91,520.14	98,311.17
	(c) Long Term Loans & Advances	364.48	299.02	-	-
	(d) Other Non-Current Assets	-	-	1,100.44	182.90
	(e) Goodwill (on Consolidation of Subsidiary)	-	-	7,422.05	7,422.05
	Sub-total - Non-current assets	1,08,044.94	1,14,039.81	1,11,085.21	1,16,761.27
(2)	Current Assets				
	(a) Current Investments	19.39	19.29	19.39	19.29
	(b) Inventories	3,217.45	3,481.28	3,295.04	3,560.24
	(c) Trade Recievables	31,128.45	33,299.51	36,832.58	39,083.37
	(d) Cash & Cash Equivalents	6,061.81	7,498.98	7,129.37	8,592.59
	(e) Short-term Loans & Advances	18,855.49	13,257.13	15,065.00	11,076.49
	(f) Other Current Assets	2,092.41	1,976.84	2,453.16	2,337.58
	Sub-total - Current assets	61,375.00	59,533.03	64,794.54	64,669.56
	TOTAL - ASSETS	1,69,419.94	1,73,572.84	1,75,879.75	1,81,430.83

