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ISO 14001 Standard

HIMACHAL FUTURISTIC COMMUNICATIONS LTD.

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

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Fax : (91 11) 3068 9013

HFCL/SEC/11-12/ ३३७
August 12, 2011

BY COURIER

**FAX NO(S) : 022-26598237
26598238**

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: Un-audited Financial Results for the First quarter ended
30th June, 2011**

Enclosed please find herewith the Un-audited Financial Results for the first quarter ended 30th June, 2011 which have been reviewed by the Audit Committee and approved by the Board of the Directors at its meeting held on 12th August, 2011. Arrangements have also been made to publish the Financial Results in the Newspapers. The Statutory Auditors of the Company have carried out a Limited Review of the above results. A Copy of Limited Review report is enclosed herewith.

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 LTD.

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

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2011

(Rs. in Lacs)

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

(Rs. in Lacs)

Sl. No.	Particulars	First Quarter Ended 30th June		Financial Year for six months ended 31st March
		2011	2010	2011
		(Unaudited)	(Unaudited)	(Audited)
1	Net Turnover/Income from Operations	4847.26	5598.09	8641.47
2	Expenditure			
a)	(Increase)/Decrease in stock in trade	174.24	(35.02)	69.03
b)	Cost of Raw Material/services	622.94	3,139.53	2,479.47
c)	Provision for Non moving inventories	-	-	389.75
d)	Purchase of Traded goods	2,592.11	1,035.09	3,996.09
e)	Staff Cost	457.50	408.32	877.11
f)	Administrative and other Overheads	422.35	434.84	1,265.74
g)	Depreciation/Impairment and Amortisation	347.35	631.08	9,075.21
h)	Bad Debts, advances & Miscellaneous balances written off (net)	17.54	54.71	11,115.69
i)	Liquidated damages	14.88	16.97	268.87
	Total	4,648.71	5,685.52	29,536.96
3	Profit/(Loss) from operations before other income, interest & exceptional items (1-2)	198.55	(87.43)	(20,895.49)
4	Other Income	92.76	61.95	1,319.76
5	Profit/(Loss) before interest & exceptional items (3+4)	291.31	(25.48)	(19,575.73)
6	Interest (net)	767.64	(50.69)	2,535.39
7	Profit/(Loss) after interest but before exceptional items (5-6)	(476.33)	(25.21)	(22,111.12)
8	Exceptional items - expenses/(income)	-	593.97	(26,134.77)
9	Profit/(Loss) from ordinary activities before tax (7-8)	(476.33)	(568.76)	4,023.65
10	Tax expenses	-	-	2.12
11	Net Profit/(Loss) from ordinary activities after tax (9-10)	(476.33)	(568.76)	4,021.53
12	Extraordinary items - expenses/(income)	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(476.33)	(568.76)	4,021.53
14	Paid-up Equity Share Capital	9,923.95	46,278.35	9,923.95
	Face value of Rs 1/- each		Face value of Rs.10/- each	Face value of Rs 1/- each
15	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year	-	-	22,200.06
16	Earning per Share(Rs) -			
(a)	Before Extraordinary items - Basic	(0.06)	(0.15)	0.38
	- Diluted	(0.05)	(0.15)	0.35
(b)	After Extraordinary items - Basic	(0.06)	(0.15)	0.38
	- Diluted	(0.05)	(0.15)	0.35
17	Aggregate of public shareholding			
-	Number of shares	512,818,158	453,216,518	512,818,158
-	Percentage of shareholding	51.67	97.93	51.67
18	Promoters and promoter group shareholding			
a)	Pledged/unencumbered : No. of shares	1,056,000	1,056,000	1,056,000
-	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	0.22	11.38	0.22
-	Percentage of shares (as a % of the total share capital of the company)	0.11	0.23	0.11
b)	Non-encumbered: No. of shares	478,242,999	8,242,999	478,242,999
-	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	99.78	88.64	99.78
-	Percentage of shares (as a % of the total share capital of the company)	48.19	1.78	48.19

Sl. No.	Particulars	First Quarter Ended 30th June		Financial Year for Six Months Ended 31st March
		2011	2010	2011
		(Unaudited)	(Unaudited)	(Audited)
1.	Segment Revenue			
a)	Telecom Products	1,055.65	3,788.48	2,773.51
b)	Turnkey Contracts and Services	3,791.61	1,809.61	5,867.96
c)	Others	-	-	-
	Total	4,847.26	5,598.09	8,641.47
	Less: Inter segment revenue	-	-	-
	Net Sales/Income from Operations	4,847.26	5,598.09	8,641.47
2.	Segment Results Profit/(Loss) before tax and interest for each segment			
a)	Telecom Products	(898.20)	(1,093.86)	(8,683.03)
b)	Turnkey Contracts and Services	982.77	500.37	510.13
c)	Others	-	-	-
	Total	284.57	(584.29)	(8,172.90)
	Less: i) Interest	767.64	(50.69)	2,535.39
	ii) Other un-allocable expenditure net off un-allocable income	(6.74)	35.16	(14,731.94)
	Total Profit before Tax	(476.33)	(568.76)	4,023.65
3.	Capital Employed			
a)	Telecom Products	29,795.97	6,491.25	33,035.32
b)	Turnkey Contracts and Services	7,122.30	6,522.02	6,771.59
c)	Others	-	-	-
	Total capital employed in segments	36,918.27	13,013.27	39,806.91
	Add: Un-allocable corporate assets less liabilities	2,779.40	(51,342.16)	367.10
	Total capital employed in Company	39,697.67	(38,328.89)	40,174.01

- i) The Company has complied with most of the conditions as stipulated in rework package of CDR. Further all the lenders who have given their in principle approval for rework package to the CDR - ECG, have also communicated their sanction to the Company except from one lender which is expected to be received shortly
- 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 Wholtime Directors for the financial year 2007-08, 2008-09 and part financial year of 2009-10 for Rs.2,74,63,608/-. However since the financial year 2007-2008, the Company has so far paid Rs.55,469,933/- as remuneration to Wholtime 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.28,006,325/- paid continues to be shown as recoverable. The Company is in the process of making representation to the Central Government for seeking their approval to the entire amount of remuneration paid to them. The Company has also filed the necessary applications with the Central Government seeking their approval for re-appointment and payment of remuneration to Wholtime Director for financial year 2009-10 and onwards which is under their consideration.

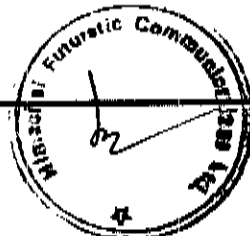
Notes

- The above results have been reviewed by the Audit committee and taken on record by the Board of Directors at its meeting held on 12th August, 2011 and the Statutory Auditors have carried out Limited Review of the same.
- The Auditor's Comments in their report on the Annual Accounts for the year 2010-11 and in the Limited Review Report of the quarter under review have been addressed as under:
- Status of Investors' complaints during the quarter ended 30th June, 2011 - Pending at the beginning : Nil ; Received : 12 ; Disposed of : 12 ; Pending at the end : Nil. Investors Relation Contact : investor@hfc.com.
- Figures of the previous periods have been regrouped/rearranged wherever considered necessary.

By order of the Board

(Mahendra Nahata)
Managing Director

Place : New Delhi
Date : 12th August, 2011



KHANDELWAL JAIN & CO.

CHARTERED ACCOUNTANTS

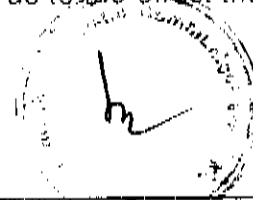
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LIMITED REVIEW REPORT

To
The Board of Directors
Himachal Futuristic Communications Limited
8, Electronics Complex, Chambaghat, Solan
Himachal Pradesh

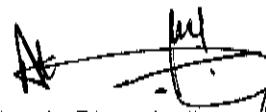
1. We have reviewed the accompanying statement of unaudited financial results of M/s Himachal Futuristic Communications Limited (the Company) for the quarter ended 30th June 2011 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on 12th August 2011. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. *The Company has accounted for the impact of Rework Package approved by the CDR Empowered Group after complying with most of the terms and conditions stipulated therein, though compliance of some of them is still in process and individual acceptance of one of lender is still awaited. As such, we are unable to express any opinion as to the effect thereof on the loss for the quarter under review.*
4. *With regard to the sundry debtors outstanding for a long period, the Company is in process of liquidating and working on different modalities of recovery including assignment. Pending outcome of such exercise, we are unable to comment on the extent of realisability and consequential provisions thereon. Impact thereof on the loss for the quarter, if any, is unascertainable.*
5. *Balances of some of the sundry debtors, creditors, lenders and loans and advances are subject to confirmations, reconciliation and adjustments, if any. As such, we are unable to express any opinion as to the effect thereof on the loss for the quarter under review.*



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6. *The Company has paid remuneration to managerial personnel during the period for which approval of central government is pending. As such, we are unable to express any opinion as to the effect thereof on the loss for the quarter under review*
7. Based on our review conducted as mentioned in paragraph 1 and 2 above, and subject to paragraph 3 to 6 above, nothing further has come to our attention that causes us to believe that the accompanying statements of unaudited financial results prepared in accordance with applicable Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **KHANDELWAL JAIN & CO.**
Firm Registration No. 105049W
Chartered Accountants


(Akash Shinghal)
Partner
M No 103490



Place: New Delhi
Dated: 12 08 2011