

KHANDELWAL JAIN & CO.

CHARTERED ACCOUNTANTS

BRANCH OFFICE :
221, HANS BHAWAN,
BAHADUR SHAH ZAFAR MARG,
NEW DELHI-110002

Tel : 23370091, 23370892, 23378795
Fax : 23378794
Website : www.kjco.net
E-mail : delhi@kjco.net

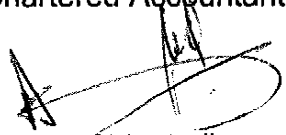
LIMITED REVIEW REPORT

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 September 2009. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors at its meeting held on 31st October 2009.
2. We conduct our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Statements 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 modification in the terms of Corporate Debt Restructuring (CDR) package approved by CDR Empowered Group, though the compliance of some of the terms and conditions are in process. The company is also not regular in payment of its dues including interest thereon to the lenders and may be liable to consequential withdrawal of any of the reliefs granted earlier. As such, we are unable to express any opinion as to the effect thereof on the loss for the quarter under review.*
4. *As per the modification approved in the CDR package by CDR Empowered Group, the company has provided Interest on term loans from banks/ Financial Institutions (Lenders) at the rate specified for the quarter ended 30th September, 2009 which is higher than the rate on yield to maturity (YTM) basis i.e 8.5% per annum. As a result, the loss for the quarter is higher by Rs.328.37 Lacs.*
5. *With regard to the sundry debtors outstanding for a long period, the Company is in process of liquidating its debts outstanding from long period and working on different modalities of recovery including assignment. Pending outcome of such exercise, we are unable to comment on the extent of reliability and consequential provision of doubtful debts. Impact thereof on the loss for the quarter, if any, is unascertainable.*

6. *During the quarter the Company has written back the interest amounting to Rs. 624.50 Lacs on account of waiver of interest by one of its lender under One time Settlement (OTS). In case of default in payment of compromised amount, the OTS shall stand cancelled. As per the terms and condition the cut off date for payment of last installment is 31.12.2009, pending fulfillment of terms and condition the company should not have written back the interest amount. As a result, the other income is higher and the loss for the quarter is lower by Rs 624.50 lacs.*
7. *The Company is in the process of determining the impairment loss, if any, on its assets as per Accounting Standard (AS)-28 impairment of Assets issued by The Institute of Chartered Accountants of India and will give effect thereto upon such determination. As such, we are unable to express any opinion as to the effect thereof on the loss for the quarter under review.*
8. *Based on our review conducted as mentioned in paragraph 1 and 2 above, and subject to paragraph 3 to 7 above, nothing 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.
Chartered Accountants


(Akash Shinghal)
Partner
M. No. 103490

Place: New Delhi
Dated: 30th November, 2009

HIMACHAL FUTURISTIC COMMUNICATIONS LTD.

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



UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER, 2009

Sl. No.	Particulars	2009		2008		Financial Year Ended 31st March, 2009	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1.	Net Turnover/Income from Operations	4,322.42	3,434.16	5,677.25	13,538.90		
2.	Expenditure	172.25	481.88	721.14	789.65		
3.	Income from operations	4,150.17	2,952.28	4,956.11	12,749.25		
4.	Income from operations after tax	3,882.37	2,670.40	3,442.97	11,959.60		
5.	Provision for Non moving Inventories			228.41			
6.	Staff Cost	419.51	439.76	1,112.12	2,441.17		
7.	Depreciation and Amortisation	641.22	653.83	1,774.67	2,514.63		
8.	Administrative and other Overheads	408.87	528.81	1,014.68	2,227.79		
9.	Bad debts written off (net of provision)		31.13	33.51	28.93		
10.	Unrealised exchange differences				1,102.84		
11.	Provision for doubtful debts				33,377.87		
12.	Profit/(Loss) from operations before other income, taxes & exceptional items	4,370.75	4,578.16	8,805.22	18,427.77		
13.	Income from other sources	(88.33)	(1,174.00)	(233.12)	(19,477.77)		
14.	Income from other sources after tax	81.10	412.20	416.79	544.11		
15.	Profit/(Loss) before interest & exceptional items	782.77	(761.70)	1,032.09	(18,933.66)		
16.	Interest	1,801.79	2,391.91	4,246.45	9,398.91		
17.	Profit/(Loss) after interest but before exceptional items	(1,019.02)	(3,153.61)	(3,214.36)	(17,565.57)		
18.	Exceptional items (refer note no.4)	593.67	759.44	435.20	3,842.98		
19.	Profit/(Loss) from ordinary activities before tax	(425.35)	(2,394.17)	(2,779.16)	(13,722.59)		
20.	Tax expense - Foreign benefits				11.67		
21.	Profit/(Loss) from ordinary activities after tax	(425.35)	(2,394.17)	(2,779.16)	(13,710.92)		
22.	Income from other sources	81.10	412.20	416.79	544.11		
23.	Profit/(Loss) for the period	(344.25)	(1,981.97)	(2,362.37)	(13,166.81)		
24.	Pre-emptory Share Capital						
25.	Reserves including the situation "Reserve on per balance sheet of previous accounting year"	44,278.05	44,278.05	44,278.05	44,278.05		
26.	Earning per Share(Rs.)						
	- Basic	(0.42)	(0.98)	(0.98)	(2.27)		
	- Diluted	(0.42)	(0.98)	(0.98)	(2.27)		
27.	Aggregate of Public shareholding						
	- Number of shares	433,194,518	433,194,518	433,194,518	433,194,518		
	- Percentage of Public shareholding	97.83	97.83	97.83	97.83		
28.	Promoter and promoter group shareholding						
	a) Promoter	1,056,000	1,056,000	1,056,000	1,056,000		
	b) Promoter group						
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	11.36	11.36	11.36	11.36		
	- Percentage of shares (as a % of the total share capital of the Company)	0.24	0.24	0.24	0.24		
	- Non-accumulated	8,242,869	8,242,869	8,242,869	8,242,869		
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	98.64	98.64	98.64	98.64		
	- Percentage of shares (as a % of the total share capital of the Company)	1.86	1.86	1.86	1.86		

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

Sl. No.	Particulars	2009		2008		Financial Year Ended 31st March, 2009	
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
1.	Segment Revenue	1,889.96	2,130.78	4,657.60	9,283.81		
2.	Segment Results	2,433.16	1,353.38	4,408.20	4,528.09		
3.	Total	4,322.42	3,484.16	9,065.80	13,811.90		
4.	Net Sales/Income from Operations	4,322.42	3,484.16	9,065.80	13,811.90		
5.	Segment Results Profit/(Loss) before tax and interest for each segment	(636.71)	(1,209.67)	(1,075.43)	(2,306.29)		
6.	Interest	540.73	(314.94)	672.10	(827.74)		
7.	Total	(95.42)	(1,524.61)	(403.33)	(3,134.03)		
8.	Loss: Interest	1,687.72	2,391.91	4,246.45	9,398.91		
9.	Other un-auditable expenditure net off	(258.23)	(13.97)	(334.38)	(142.98)		
10.	Total Profit/(Loss) before Tax	(1,728.69)	(3,923.55)	(4,915.21)	(10,674.87)		
11.	Capital Employed	5,449.22	10,660.62	5,449.22	10,660.62		
12.	Total capital employed in segments	5,449.22	10,660.62	5,449.22	10,660.62		
13.	Other un-auditable corporate assets less liabilities	2,862.75	26,442.40	12,862.75	12,862.75		
14.	Total capital employed in Company	8,311.97	37,103.02	18,311.97	23,523.37		

1. The above results have been reviewed by the Audit Committee set up on 11th October 2007 at its meeting held on 31st October, 2009.

2. The Auditor's comments, in their report on the Annual Accounts for the year, 2008-09, have been addressed as under.

3. The provision of interest has been made as per CRR approved principle.

4. The Company has made adequate provision for doubtful debts.

5. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

6. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

7. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

8. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

9. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

10. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

11. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

12. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

13. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

14. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

15. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

16. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

17. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

18. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

19. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

20. The Company has made adequate provision for sundry debtors, creditors, liabilities etc. in ordinary course of business.

By order of the Board
(Mahendra Mahata)
Managing Director

Place: New Delhi
Date: 31st October, 2009