

HIMACHAL FUTURISTIC COMMUNICATIONS LIMITED

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

UNAUDITED FINANCIAL RESULTS (PROVISIONAL) FOR THE QUARTER ENDED 30th JUNE, 2004

(Rs. in Crores)

Sl. No.	Particulars	First Quarter Ended		Year Ended
		June 30,2004	June 30, 2003	March 31,2004
		(Unaudited)	(Unaudited)	(Audited)
1.	Net Turnover/Income from Operations	135.48	215.38	749.05
2	Other Income	0.38	3.32	13.48
3	Total Expenditure (a to k)	117.76	171.12	941.63
a	(Increase)/Decrease in stock in trade	(2.80)	14.08	3.90
b	Consumption of Raw Material	89.66	132.95	496.34
c	Staff Cost	6.52	6.82	31.08
d	Labour and service charges to sub contractors	1.97	3.51	19.71
e	Provision for diminution in value of investments	0.13	(0.39)	(0.58)
f	Loss on sale of investments	-	-	23.78
g	Bad Debts,Advances and Misc. Balances written off	2.79	0.70	187.60
	Less: Transferred from provision of doubtful debts/advances	(2.53)	-	(1.58)
h	Provision for doubtful debts and advances	4.18	-	105.89
i	Payment towards guarantee obligation written off	2.50	-	8.54
j	Royalty	4.37	0.11	7.79
k	Administrative and other Overheads	10.97	13.34	59.16
4	Interest and Finance Charges	15.66	23.79	112.38
5	Depreciation	7.53	6.55	25.82
6	Profit before write offs, provisions and extra ordinary items	1.98	17.55	14.89
7	Profit before Tax (1+2-3-4-5)	(5.09)	17.24	(317.30)
8	Provision for Taxation			
	- Current Tax including for earlier years	-	1.33	(6.11)
	- Deferred Tax	-	1.38	(49.03)
9	Net Profit (7 - 8)	(5.09)	14.53	(262.16)
10	Paid-up Equity Share Capital (Face value of Rs.10 each)	329.76	247.88	316.81
11	Reserves excluding Revaluation Reserve	-	-	1,132.61
12	Earning per Share(Rs) - Basic	(0.24)	0.60	(10.02)
	- Diluted	(0.22)	0.58	(9.11)

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 31st July 2004.
- In accordance with the Debt Restructuring (CDR) proposal of the Company approved by CDR Empowered Group, most of the banks/financial institutions have approved the scheme .The impact of the respective approvals for this quarter has been considered accordingly. Company is taking effective steps for compliance of terms and conditions of CDR scheme.
- The segregation of investment and financial assets into a separate company is in process and will help the company to focus more on its core activities of manufacturing of telecom products, turnkey operations and R&D initiatives.
- In terms of Accounting Standard - 28 on Impairment of Assets issued by The Institute of Chartered Accountants of India provision for impairment of assets, if any, as on 01.04.2004 i.e. date on which this statement becomes mandatory will be adjusted at the end of the financial year.
- Status of investor complaints during the quarter ended 30th June 2004 :
Pending at the beginning Nil; Received 3; Disposed off 3 ; Pending at the end :Nil
- Increase in Paid up Capital amounting to Rs.12.95 crore during the quarter under review is on account of conversion of FCCBs into Equity.
- Figures of the previous periods have been regrouped/rearranged wherever considered necessary .

By order of the Board

Place : New Delhi
Date : 31st July 2004

(Mahendra Nahata)
Managing Director

Segmentwise Revenue, Results and Capital Employed

(Rs. in Crores)

	First Quarter Ended		Year Ended
	June 30,2004	June 30, 2003	March 31,2004
	(Unaudited)	(Unaudited)	(Audited)
Segment Revenue			
a.Telecom Products	109.91	170.99	561.92
b.Turnkey Contracts and Services	25.09	43.92	182.46
c.Others	0.48	0.47	4.67
Total	135.48	215.38	749.05
Less:Inter segment revenue	-	-	-
Net Turnover/Income from Operations	135.48	215.38	749.05
Segment Results			
a.Telecom Products	13.95	32.82	84.39
b.Turnkey Contracts and Services	4.37	11.12	51.17
c.Others	0.17	0.22	1.12
Total	18.49	44.16	136.68
Less: i.Interest and Finance charges	15.66	23.79	112.38
ii.Other un-allocable expenditure net off un-allocable income	0.85	2.82	9.41
iii.Write offs, provisions and extra ordinary items	7.07	0.31	332.19
Profit before Tax	(5.09)	17.24	(317.30)
Capital Employed			
a.Telecom Products	602.85	776.75	592.03
b.Turnkey Contracts and Services	272.48	388.73	258.97
c.Others	24.56	56.80	25.00
Total capital employed in segments	899.89	1,222.28	876.00
Add: Un-allocable corporate assets less liabilities	639.86	453.00	653.92
Total capital employed in Company	1,539.75	1,675.28	1529.92