

**Independent Auditors' Review Report on Standalone Unaudited Quarterly and Year to date Financial Results of HFCL Limited ('the Company') pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of  
HFCL Limited**

1. We have reviewed the accompanying Statement of the Unaudited Standalone Financial Results ('the Statement') of **HFCL Limited** ('the Company') for the quarter ended September 30, 2021 and for the period from April 01, 2021 to September 30, 2021, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time. The Statement is the responsibility of the Company's Management and has been approved by the Company's Board of Directors. Our responsibility is to issue a report on the Statement based on our review of the Statement, which has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), specified under Section 133 of the Companies Act, 2013 read with relevant rules issues thereunder, and other accounting principles generally accepted in India and in Compliance with Regulation 33 of the Listing Regulations.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the recognition and measurement principles laid down in the applicable Indian accounting standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, read with relevant rules issued there under and other recognised accounting practices and policies generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For S. BHANDARI & CO.**  
Chartered Accountants  
Firm Registration No. 000560C

  
(P.D. Baird)  
Partner

Membership No. 072625  
UDIN: 21072625AAAACI2748  
Place: New Delhi  
Date: October 11, 2021



**For OSWAL SUNIL & COMPANY**  
Chartered Accountants  
Firm Registration No. 016520N

  
(Sunil Bhansali)  
Partner

Membership No. 054645  
UDIN: 21054645AAAABG8109  
Place: New Delhi  
Date: October 11, 2021



**Independent Auditors' Review Report on Consolidated Unaudited Quarterly and Year to date Financial Results of HFCL Limited (the "Parent") pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**To the Board of Directors of  
HFCL Limited (Formerly Himachal Futuristic Communications Limited)**

1. We have reviewed the accompanying Statement of the Unaudited Consolidated Financial Results ("the Statement") of **HFCL Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit after tax and total comprehensive profit of its jointly controlled entity, for the quarter ended September 30, 2021 and for the period from April 01, 2021 to September 30, 2021, being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('the Listing Regulations').

2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review of the Statement.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

4. The Statement includes the results of following Subsidiaries and Jointly Controlled Entity:

**i. Subsidiaries:**

- a. HTL Ltd.,
- b. Polixel Security Systems Pvt. Ltd.,
- c. Raddef Private Limited,
- d. Moneta Finance Pvt. Ltd.,
- e. HFCL Advance Systems Pvt. Ltd. and
- f. Dragon Wave HFCL India Pvt. Ltd.
- g. HFCL Technologies Pvt. Ltd. (w.e.f. June 26, 2021)

**ii. Jointly Controlled Entity:**

- a. Nimpaa Telecommunications Pvt. Ltd. (w.e.f. June 14, 2021)

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors referred to in paragraph 6 and 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.





6. We did not review the interim financial information / financial results of two subsidiaries included in the Statement, whose interim financial information / financial results reflect total assets of Rs. 10.43 Crore as at September 30, 2021 and total revenues of Rs. Nil and Rs. Nil, total net profit / (loss) after tax of Rs. 0.07 Crore and Rs. 0.11 Crore and total comprehensive income / (loss) of Rs. 0.07 Crore and Rs. 0.11 Crore for the quarter ended September 30, 2021 and for the period from April 01, 2021 to September 30, 2021 respectively, and cash flows (net) of Rs. (0.03) Crore for the period from April 01, 2021 to September 30, 2021, as considered in the Statement. The Statement also includes the Group's share of net profit/ (loss) after tax of Rs. 1.21 Crore and Rs. 0.29 Crore and total comprehensive Income/(loss) of Rs. 1.21 Crore and Rs. 0.29 Crore, for the quarter ended September 30, 2021 and for the period from April 01, 2021 to September 30, 2021 respectively, as considered in the Statement, in respect of one jointly controlled entity, whose interim financial results have not been reviewed by us. These interim financial information/ financial results have been reviewed by other respective auditors whose reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these two subsidiaries and jointly controlled entity, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

7. The interim financial information / financial results of five subsidiaries included in the Statement, whose interim financial information / financial results reflect total assets of Rs. 513.50 Crore as at September 30, 2021 and total revenues of Rs. 264.35 Crore and Rs. 484.94 Crore, total net profit / (loss) after tax of Rs. 15.57 Crore and Rs. 25.91 Crore and total comprehensive income / (loss) of Rs. 15.46 Crore and Rs. 25.87 Crore for the quarter ended September 30, 2021 and for the period from April 01, 2021 to September 30, 2021 respectively, and cash flows (net) of Rs. (3.69) Crore for the period from April 01, 2021 to September 30, 2021, as considered in the Statement, have been reviewed by one of the joint auditors of the Parent and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of such joint auditor.

Our conclusion on the Statement is not modified in respect of the above matters

**For S. BHANDARI & CO.**

Chartered Accountants  
Firm Registration No. 000560C

  


**(P.D. Baid)**  
Partner  
Membership No. 072625  
UDIN: 21072625AAAACJ5956

Place: New Delhi  
Date: October 11, 2021

**For OSWAL SUNIL & COMPANY**

Chartered Accountants  
Firm Registration No. 016520N

  


**(Sunil Bhansali)**  
Partner  
Membership No. 054645  
UDIN: 21054645AAAABH2958

Place: New Delhi  
Date: October 11, 2021



| Sl. No. | Particulars   | Standalone          |                              |   |   |  |                               | Consolidated        |                              |   |   |  |                               |
|---------|---|---------------------|------------------------------|---|---|--|-------------------------------|---------------------|------------------------------|---|---|--|-------------------------------|
|         |   | Three months ended  | Preceding three months ended | Corresponding three months ended in the previous year | Year to date figures for the current period ended | Year to date figures for the previous period ended | Previous Financial Year ended | Three months ended  | Preceding three months ended | Corresponding three months ended in the previous year | Year to date figures for the current period ended | Year to date figures for the previous period ended | Previous Financial Year ended |
|         |   | September 30th 2021 | June 30th 2021               | September 30th 2020                                   | September 30th 2021                               | September 30th 2020                                | March 31st 2021               | September 30th 2021 | June 30th 2021               | September 30th 2020                                   | September 30th 2021                               | September 30th 2020                                | March 31st 2021               |
|         |   | Un-Audited          | Un-Audited                   | Un-Audited  | Un-Audited  | Un-Audited   | Audited                       | Un-Audited          | Un-Audited                   | Un-Audited  | Un-Audited  | Un-Audited   | Audited                       |
| I       | <b>INCOME</b>   |                     |                              |   |   |  |                               |                     |                              |   |   |  |                               |
|         | Revenue from Operations   | 1,004.92            | 1,108.20                     | 983.80  | 2,113.12  | 1,640.04   | 4,105.87                      | 1,122.05            | 1,206.87                     | 1,054.32  | 2,328.92  | 1,754.08   | 4,422.96                      |
|         | Other Income  | 3.33                | 4.70                         | 11.22   | 8.03  | 15.29  | 33.22                         | 4.05                | 5.29                         | 11.99   | 9.34  | 16.29  | 34.76                         |
|         | <b>Total Income</b>   | <b>1,008.25</b>     | <b>1,112.90</b>              | <b>995.02</b>   | <b>2,121.15</b>                                   | <b>1,655.33</b>                                    | <b>4,139.09</b>               | <b>1,126.10</b>     | <b>1,212.16</b>              | <b>1,066.31</b>                                       | <b>2,338.26</b>                                   | <b>1,770.37</b>                                    | <b>4,457.72</b>               |
| II      | <b>EXPENSES</b>   |                     |                              |   |   |  |                               |                     |                              |   |   |  |                               |
|         | Cost of materials/services consumed   | 521.24              | 367.18                       | 365.90  | 888.42  | 671.82   | 1,462.22                      | 572.96              | 417.90                       | 388.38  | 990.86  | 720.44   | 1,617.45                      |
|         | Purchases of stock-in-trade   | 214.62              | 470.04                       | 417.97  | 684.66  | 609.65   | 1,744.89                      | 227.88              | 475.28                       | 426.26  | 703.16  | 624.36   | 1,778.40                      |
|         | Change in inventories of finished goods, work-in progress and stock-in trade              | 19.03               | (7.80)                       | (8.06)  | 11.23   | (8.99)   | 27.95                         | 15.61               | (11.78)                      | (3.70)  | 3.83  | (14.73)  | 8.07                          |
|         | Employee benefits expenses  | 60.98               | 71.49                        | 54.16   | 132.47  | 102.49   | 215.69                        | 73.92               | 83.28                        | 61.85   | 157.20  | 117.24   | 252.85                        |
|         | Finance costs   | 31.96               | 42.01                        | 36.58   | 73.97   | 68.12  | 148.25                        | 40.04               | 49.49                        | 42.49   | 89.53   | 79.65  | 174.72                        |
|         | Depreciation, Impairment and Amortisation expenses  | 13.18               | 12.99                        | 13.47   | 26.17   | 26.56  | 53.59                         | 18.07               | 17.76                        | 16.59   | 35.83   | 32.69  | 68.63                         |
|         | Other expenses  | 53.41               | 46.94                        | 50.25   | 100.35  | 92.96  | 186.50                        | 62.53               | 55.94                        | 56.05   | 118.47  | 102.67   | 216.61                        |
|         | <b>Total Expenses</b>   | <b>914.42</b>       | <b>1,002.85</b>              | <b>930.27</b>   | <b>1,917.27</b>                                   | <b>1,562.61</b>                                    | <b>3,839.09</b>               | <b>1,011.01</b>     | <b>1,087.87</b>              | <b>987.92</b>   | <b>2,098.88</b>                                   | <b>1,662.32</b>                                    | <b>4,116.73</b>               |
| III     | <b>Profit / (loss) before, exceptional items and tax (I-II)</b>                           | <b>93.83</b>        | <b>110.05</b>                | <b>64.75</b>  | <b>203.88</b>                                     | <b>92.72</b>                                       | <b>300.00</b>                 | <b>115.09</b>       | <b>124.29</b>                | <b>78.39</b>  | <b>239.38</b>                                     | <b>108.05</b>                                      | <b>340.99</b>                 |
| IV      | Share of net profits / (loss) of jointly control entity accounted for using equity method | -                   | -                            | -   | -   | -  | -                             | 0.15                | (0.24)                       | -   | (0.09)  | -  | -                             |
| V       | <b>Profit / (loss) before exceptional items and tax (III+IV)</b>                          | <b>93.83</b>        | <b>110.05</b>                | <b>64.75</b>  | <b>203.88</b>                                     | <b>92.72</b>                                       | <b>300.00</b>                 | <b>115.24</b>       | <b>124.05</b>                | <b>78.39</b>  | <b>239.29</b>                                     | <b>108.05</b>                                      | <b>340.99</b>                 |
| VI      | Exceptional item  | -                   | -                            | 2.90  | -   | 3.39   | 4.13                          | -                   | -                            | 2.90  | -   | 3.39   | 4.13                          |
| VII     | <b>Profit / (Loss) before tax (V-VI)</b>  | <b>93.83</b>        | <b>110.05</b>                | <b>61.85</b>  | <b>203.88</b>                                     | <b>89.33</b>                                       | <b>295.87</b>                 | <b>115.24</b>       | <b>124.05</b>                | <b>75.49</b>  | <b>239.29</b>                                     | <b>104.66</b>                                      | <b>336.86</b>                 |
| VIII    | <b>Tax expense</b>  |                     |                              |   |   |  |                               |                     |                              |   |   |  |                               |
|         | Current Tax   | 22.62               | 29.41                        | 15.32   | 52.03   | 21.65  | 75.70                         | 28.54               | 33.46                        | 17.91   | 62.00   | 24.78  | 86.13                         |
|         | Deferred Tax  | 1.03                | 0.10                         | 1.82  | 1.13  | 2.36   | (2.69)                        | 0.76                | (0.10)                       | 4.26  | 0.66  | 5.22   | 4.49                          |
| IX      | <b>Profit / (Loss) after tax for the period from continuing operations (VII- VIII)</b>    | <b>70.18</b>        | <b>80.54</b>                 | <b>44.71</b>  | <b>150.72</b>                                     | <b>65.32</b>                                       | <b>222.86</b>                 | <b>85.94</b>        | <b>90.69</b>                 | <b>53.32</b>  | <b>176.63</b>                                     | <b>74.66</b>                                       | <b>246.24</b>                 |
| X       | <b>Other Comprehensive Income</b>   |                     |                              |   |   |  |                               |                     |                              |   |   |  |                               |
|         | Items that will not be reclassified to profit or loss                                     | 0.80                | (0.71)                       | 1.19  | 0.09  | 3.02   | 5.99                          | 0.66                | (0.62)                       | 1.46  | 0.04  | 3.23   | 6.36                          |
|         | Income tax on above item  | (0.09)              | 0.30                         | (0.24)  | 0.21  | (0.64)   | (0.86)                        | (0.06)              | 0.28                         | (0.24)  | 0.22  | (0.63)   | (0.95)                        |
|         | Items that will be reclassified to profit or loss   | 0.01                | (0.22)                       | (0.12)  | (0.21)  | (0.29)   | (0.45)                        | 0.01                | (0.22)                       | (0.12)  | (0.21)  | (0.29)   | (0.45)                        |
|         | <b>Other comprehensive income for the period after tax</b>                                | <b>0.72</b>         | <b>(0.63)</b>                | <b>0.83</b>   | <b>0.09</b>                                       | <b>2.09</b>  | <b>4.68</b>                   | <b>0.61</b>         | <b>(0.56)</b>                | <b>1.10</b>   | <b>0.05</b>                                       | <b>2.31</b>  | <b>4.96</b>                   |
| XI      | <b>Total comprehensive income for the period (IX+X)</b>                                   | <b>70.90</b>        | <b>79.91</b>                 | <b>45.54</b>  | <b>150.81</b>                                     | <b>67.41</b>                                       | <b>227.54</b>                 | <b>86.55</b>        | <b>90.13</b>                 | <b>54.42</b>  | <b>176.68</b>                                     | <b>76.97</b>                                       | <b>251.20</b>                 |
| XII     | <b>Profit attributable to:</b>  |                     |                              |   |   |  |                               |                     |                              |   |   |  |                               |
|         | Owners of the Parent  | -                   | -                            | -   | -   | -  | -                             | 81.61               | 87.83                        | 51.00   | 169.44  | 72.09  | 239.00                        |
|         | Non-controlling interests   | -                   | -                            | -   | -   | -  | -                             | 4.35                | 2.87                         | 2.29  | 7.22  | 2.54   | 7.24                          |
| XIII    | <b>Total comprehensive income attributable to:</b>  |                     |                              |   |   |  |                               |                     |                              |   |   |  |                               |
|         | Owners of the Parent  | -                   | -                            | -   | -   | -  | -                             | 82.24               | 87.25                        | 52.07   | 169.49  | 74.38  | 243.89                        |
|         | Non-controlling interests   | -                   | -                            | -   | -   | -  | -                             | 4.33                | 2.88                         | 2.33  | 7.21  | 2.57   | 7.31                          |
| XIV     | <b>Paid-up Equity Share Capital (Face value of Re.1/- each)</b>                           | <b>128.65</b>       | <b>128.44</b>                | <b>128.44</b>   | <b>128.65</b>                                     | <b>128.44</b>                                      | <b>128.44</b>                 | <b>128.65</b>       | <b>128.44</b>                | <b>128.44</b>   | <b>128.65</b>                                     | <b>128.44</b>                                      | <b>128.44</b>                 |
| XV      | <b>Other Equity</b>   | <b>-</b>            | <b>-</b>                     | <b>-</b>  | <b>-</b>  | <b>-</b>   | <b>1,748.05</b>               | <b>-</b>            | <b>-</b>                     | <b>-</b>  | <b>-</b>  | <b>-</b>   | <b>1,795.03</b>               |
| XVI     | <b>Earnings per Share (face value of Re 1/- each) -</b>                                   |                     |                              |   |   |  |                               |                     |                              |   |   |  |                               |
|         | Basic (Rs.)   | 0.54                | 0.63                         | 0.35  | 1.17  | 0.51   | 1.74                          | 0.64                | 0.68                         | 0.40  | 1.32  | 0.56   | 1.86                          |
|         | Diluted (Rs.)   | 0.55                | 0.63                         | 0.35  | 1.18  | 0.51   | 1.74                          | 0.64                | 0.68                         | 0.39  | 1.32  | 0.57   | 1.87                          |

Cont...

Unaudited Standalone & Consolidated segment wise revenue, results, assets and liabilities for the second quarter and half year ended 30th September, 2021.

(Rs. in Crore unless otherwise stated)

| Sl. No. | Particulars  | Standalone          |                              |   |   |  |                               | Consolidated        |                              |   |   |  |                               |
|---------|--|---------------------|------------------------------|---|---|--|-------------------------------|---------------------|------------------------------|---|---|--|-------------------------------|
|         |  | Three months ended  | Preceding three months ended | Corresponding three months ended in the previous year | Year to date figures for the current period ended | Year to date figures for the previous period ended | Previous Financial Year ended | Three months ended  | Preceding three months ended | Corresponding three months ended in the previous year | Year to date figures for the current period ended | Year to date figures for the previous period ended | Previous Financial Year ended |
|         |  | September 30th 2021 | June 30th 2021               | September 30th 2020                                   | September 30th 2021                               | September 30th 2020                                | March 31st 2021               | September 30th 2021 | June 30th 2021               | September 30th 2020                                   | September 30th 2021                               | September 30th 2020                                | March 31st 2021               |
|         |  | Un-Audited          | Un-Audited                   | Un-Audited  | Un-Audited  | Un-Audited   | Audited                       | Un-Audited          | Un-Audited                   | Un-Audited  | Un-Audited  | Un-Audited   | Audited                       |
| 1       | <b>Segment Revenue</b>   |                     |                              |   |   |  |                               |                     |                              |   |   |  |                               |
|         | a. Telecom Products  | 356.99              | 340.27                       | 208.58  | 697.26  | 370.59   | 889.23                        | 503.92              | 454.10                       | 278.86  | 958.02  | 484.27   | 1,205.46                      |
|         | b. Turnkey Contracts and Services  | 647.93              | 767.93                       | 775.22  | 1,415.86  | 1,269.45   | 3,216.64                      | 618.13              | 752.77                       | 775.46  | 1,370.90  | 1,269.81   | 3,217.50                      |
|         | c. Others  | -                   | -                            | -   | -   | -  | -                             | -                   | -                            | -   | -   | -  | -                             |
|         | <b>Revenue from Operations</b>   | <b>1,004.92</b>     | <b>1,108.20</b>              | <b>983.80</b>   | <b>2,113.12</b>                                   | <b>1,640.04</b>                                    | <b>4,105.87</b>               | <b>1,122.05</b>     | <b>1,206.87</b>              | <b>1,054.32</b>                                       | <b>2,328.92</b>                                   | <b>1,754.08</b>                                    | <b>4,422.96</b>               |
| 2       | <b>Segment Results Profit / (Loss) before tax and interest from each segment</b> |                     |                              |   |   |  |                               |                     |                              |   |   |  |                               |
|         | a. Telecom Products  | 41.88               | 36.56                        | 11.83   | 78.44   | 15.08  | 84.78                         | 72.77               | 58.94                        | 32.48   | 131.71  | 43.31  | 154.67                        |
|         | b. Turnkey Contracts and Services  | 81.39               | 117.06                       | 86.24   | 198.45  | 139.53   | 353.11                        | 80.71               | 116.52                       | 86.09   | 197.23  | 139.90   | 351.78                        |
|         | c. Others  | -                   | -                            | -   | -   | -  | -                             | (0.85)              | (0.13)                       | (0.94)  | (0.98)  | (1.73)   | (1.10)                        |
|         | <b>Total</b>   | <b>123.27</b>       | <b>153.62</b>                | <b>98.07</b>  | <b>276.89</b>                                     | <b>154.61</b>                                      | <b>437.89</b>                 | <b>152.63</b>       | <b>175.33</b>                | <b>117.63</b>   | <b>327.96</b>                                     | <b>181.48</b>                                      | <b>505.35</b>                 |
|         | Less: i. Interest  | 31.96               | 42.01                        | 36.58   | 73.97   | 68.12  | 148.25                        | 40.04               | 49.49                        | 42.49   | 89.53   | 79.65  | 174.72                        |
|         | ii. Other un-allocable expenditure net off                                       | 0.51                | 5.84                         | 2.50  | 6.35  | 3.02   | 10.38                         | 0.36                | 6.08                         | 2.51  | 6.44  | 3.03   | 10.38                         |
|         | iii. Un-allocable income   | (3.03)              | (4.28)                       | (2.86)  | (7.31)  | (5.86)   | (16.61)                       | (3.01)              | (4.29)                       | (2.86)  | (7.30)  | (5.86)   | (16.61)                       |
|         | <b>Total Profit before Tax</b>   | <b>93.83</b>        | <b>110.05</b>                | <b>61.85</b>  | <b>203.88</b>                                     | <b>89.33</b>                                       | <b>295.87</b>                 | <b>115.24</b>       | <b>124.05</b>                | <b>75.49</b>  | <b>239.29</b>                                     | <b>104.66</b>                                      | <b>336.86</b>                 |
| 3       | <b>Segment Assets</b>  |                     |                              |   |   |  |                               |                     |                              |   |   |  |                               |
|         | a. Telecom Products  | 1,094.74            | 1,128.72                     | 927.22  | 1,094.74  | 927.22   | 1,035.99                      | 1,413.35            | 1,400.93                     | 1,100.14  | 1,413.35  | 1,100.14   | 1,304.84                      |
|         | b. Turnkey Contracts and Services  | 2,892.13            | 3,301.24                     | 2,585.79  | 2,892.13  | 2,585.79   | 3,391.05                      | 2,901.56            | 3,310.66                     | 2,595.36  | 2,901.56  | 2,595.36   | 3,400.47                      |
|         | c. Others  | -                   | -                            | -   | -   | -  | -                             | 4.69                | 0.11                         | 0.34  | 4.69  | 0.34   | 0.30                          |
|         | d. Un-allocated  | 549.78              | 532.33                       | 520.85  | 549.78  | 520.85   | 510.17                        | 547.78              | 532.33                       | 520.85  | 547.78  | 520.85   | 510.17                        |
|         | <b>Total</b>   | <b>4,536.65</b>     | <b>4,962.29</b>              | <b>4,033.86</b>                                       | <b>4,536.65</b>                                   | <b>4,033.86</b>                                    | <b>4,937.21</b>               | <b>4,867.38</b>     | <b>5,244.03</b>              | <b>4,216.69</b>                                       | <b>4,867.38</b>                                   | <b>4,216.69</b>                                    | <b>5,215.78</b>               |
| 4       | <b>Segment Liabilities</b>   |                     |                              |   |   |  |                               |                     |                              |   |   |  |                               |
|         | a. Telecom Products  | 467.17              | 580.99                       | 426.00  | 467.17  | 426.00   | 461.58                        | 719.24              | 800.00                       | 572.14  | 719.24  | 572.14   | 688.02                        |
|         | b. Turnkey Contracts and Services  | 1,590.94            | 1,738.18                     | 1,232.59  | 1,590.94  | 1,232.59   | 1,916.67                      | 1,595.73            | 1,742.46                     | 1,235.01  | 1,595.73  | 1,235.01   | 1,920.43                      |
|         | c. Others  | -                   | -                            | -   | -   | -  | -                             | 1.01                | 1.24                         | 1.37  | 1.01  | 1.37   | 1.40                          |
|         | d. Un-allocated  | 463.95              | 685.63                       | 660.84  | 463.95  | 660.84   | 682.47                        | 463.95              | 685.63                       | 660.84  | 463.95  | 660.84   | 682.47                        |
|         | <b>Total</b>   | <b>2,522.06</b>     | <b>3,004.80</b>              | <b>2,319.43</b>                                       | <b>2,522.06</b>                                   | <b>2,319.43</b>                                    | <b>3,060.72</b>               | <b>2,779.93</b>     | <b>3,229.33</b>              | <b>2,469.36</b>                                       | <b>2,779.93</b>                                   | <b>2,469.36</b>                                    | <b>3,292.32</b>               |

- Notes:
- The above Un-Audited Standalone & Consolidated Financial Results of the Company for the second quarter and half year ended 30th September, 2021 have been reviewed and recommended by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 11th October, 2021.
  - The above Results are in compliance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
  - The Company has considered the possible effects that may result from the pandemic relating to COVID-19 in the preparation of the financial results including their coverability of carrying amounts of financial and non financial assets. Further the impact assessment does not indicate any adverse impact on the ability of the Company to continue as a going concern. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of the financial results, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of the assets will be recovered. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these financial results.
  - On 15th July, 2021 the Board of Directors has approved allotment of 49,34,300 equity shares of face value of Re.1/- each at applicable grant price to HFCL Employee's Trust under HFCL Employee's Long Term Incentive Plan 2017.
  - The Consolidated financial results for the quarter ended 30th September, 2021 includes the results of the following entities:
    - HFCL Limited. (HFCL) (Holding Company)
    - HTL Limited. (Subsidiary)
    - Moneta Finance Pvt. Limited (Wholly owned Subsidiary)
    - Polixel Security Systems Pvt. Limited (Wholly owned Subsidiary)
    - HFCL Advance Systems Pvt. Limited (Wholly owned Subsidiary)
    - DragonWave HFCL India Pvt. Limited (Wholly owned Subsidiary)
    - Raddef Pvt. Limited (Subsidiary)
    - Nimppa Telecommunications Private Limited (Jointly Controlled Entity w.e.f. 14th June, 2021)
    - HFCL Technologies Pvt. Limited (Wholly owned Subsidiary w.e.f. 26th June, 2021)
  - The figures of the previous periods have been re-grouped/ re-arranged wherever considered necessary.



**HFCL LIMITED**
**Statement of Assets and Liabilities as at September 30, 2021.**

(All amounts are in Rs.crore)

| Particulars   | Standalone             |                         | Consolidated          |                         |
|---|------------------------|-------------------------|-----------------------|-------------------------|
|   | As at Sep. 30,<br>2021 | As at March 31,<br>2021 | As at Sep 30,<br>2021 | As at March 31,<br>2021 |
|   | Un-Audited             | Audited                 | Un-Audited            | Audited                 |
| <b>ASSETS</b>   |                        |                         |                       |                         |
| (1) <b>Non-current Assets</b>   |                        |                         |                       |                         |
| (a) Property, Plant and Equipment   | 329.18                 | 331.04                  | 441.58                | 443.35                  |
| (b) Capital work-in-progress  | 34.39                  | 3.73                    | 53.04                 | 11.82                   |
| (c) Right-of-use-assets   | 25.06                  | 20.13                   | 25.06                 | 20.32                   |
| (d) Goodwill  | -                      | -                       | 26.17                 | 26.17                   |
| (e) Other Intangible assets   | 13.78                  | 16.41                   | 15.06                 | 17.97                   |
| (f) Intangible assets under development   | 34.68                  | 23.34                   | 35.54                 | 24.20                   |
| (g) Investment in associates/ joint venture accounted for using the equity method | 28.80                  | 26.70                   | 0.91                  | -                       |
| (h) Financial Assets  |                        |                         |                       |                         |
| (i) Investments   | 32.88                  | 32.88                   | 34.82                 | 34.82                   |
| (ii) Trade receivables  | 436.30                 | 444.78                  | 436.35                | 444.83                  |
| (iii) Loans   | 26.50                  | 26.50                   | 6.50                  | 6.50                    |
| (iv) Others   | 97.24                  | 80.33                   | 28.70                 | 11.03                   |
| (i) Deferred tax assets (net)   | 9.65                   | 10.57                   | 6.26                  | 6.70                    |
| (j) Other non-current assets  | 9.91                   | 15.89                   | 14.09                 | 18.26                   |
| <b>Sub-total</b>  | <b>1,078.37</b>        | <b>1,032.30</b>         | <b>1,124.08</b>       | <b>1,065.97</b>         |
| (2) <b>Current Assets</b>   |                        |                         |                       |                         |
| (a) Inventories   | 273.56                 | 306.24                  | 426.74                | 435.26                  |
| (b) Financial Assets  |                        |                         |                       |                         |
| (i) Investments   | 7.05                   | 5.62                    | 7.23                  | 5.79                    |
| (ii) Trade receivables  | 2,138.33               | 2,528.03                | 2,227.69              | 2,610.99                |
| (iii) Cash and cash equivalents   | 52.72                  | 19.79                   | 55.35                 | 21.30                   |
| (iv) Bank balances other than (iii) above   | 276.17                 | 273.95                  | 296.03                | 285.14                  |
| (v) Loans   | 4.00                   | 3.00                    | 13.24                 | 11.87                   |
| (vi) Others - advances  | 343.93                 | 457.26                  | 348.79                | 461.81                  |
| (c) Current Tax Assets (Net)  | 4.51                   | 74.91                   | 5.36                  | 75.56                   |
| (d) Contract Assets   | 112.74                 | 20.63                   | 112.82                | 20.70                   |
| (e) Other current assets  | 245.26                 | 215.48                  | 250.03                | 221.41                  |
| <b>Sub-total</b>  | <b>3,458.27</b>        | <b>3,904.91</b>         | <b>3,743.28</b>       | <b>4,149.83</b>         |
| <b>Total Assets</b>   | <b>4,536.64</b>        | <b>4,937.21</b>         | <b>4,867.36</b>       | <b>5,215.80</b>         |
| <b>EQUITY AND LIABILITIES</b>   |                        |                         |                       |                         |
| (1) <b>Equity</b>   |                        |                         |                       |                         |
| (a) Equity Share capital  | 128.65                 | 128.44                  | 128.65                | 128.44                  |
| (b) Other Equity  | 1,885.93               | 1,748.05                | 1,944.32              | 1,787.77                |
| (c) Non-Controlling interest  | -                      | -                       | 14.47                 | 7.26                    |
| <b>Sub-total</b>  | <b>2,014.58</b>        | <b>1,876.49</b>         | <b>2,087.44</b>       | <b>1,923.47</b>         |
| (2) <b>Liabilities</b>  |                        |                         |                       |                         |
| <b>Non-current Liabilities</b>  |                        |                         |                       |                         |
| (a) Financial Liabilities   |                        |                         |                       |                         |
| (i) Borrowings  | 110.26                 | 197.43                  | 171.93                | 250.78                  |
| (ii) Lease liabilities  | 20.31                  | 18.43                   | 20.31                 | 18.47                   |
| (b) Provisions  | 30.90                  | 32.19                   | 34.96                 | 36.50                   |
| <b>Sub-total</b>  | <b>161.47</b>          | <b>248.05</b>           | <b>227.20</b>         | <b>305.75</b>           |
| <b>Current Liabilities</b>  |                        |                         |                       |                         |
| (a) Financial Liabilities   |                        |                         |                       |                         |
| (i) Borrowings  | 439.27                 | 605.39                  | 511.73                | 587.64                  |
| (ii) Lease liabilities  | 6.44                   | 3.58                    | 6.44                  | 3.75                    |
| (iii) Trade Payable   | 1,316.85               | 1,651.76                | 1,403.73              | 1,747.96                |
| (iv) Other financial liabilities  | 409.87                 | 399.62                  | 420.40                | 487.41                  |
| (b) Current Tax liabilities (Net)   | 10.27                  | 42.33                   | 16.52                 | 46.37                   |
| (c) Other current liabilities   | 135.96                 | 68.13                   | 151.54                | 71.22                   |
| (d) Contract liabilities  | 27.09                  | 30.11                   | 27.09                 | 30.11                   |
| (e) Provisions  | 14.84                  | 11.75                   | 15.27                 | 12.12                   |
| <b>Sub-total</b>  | <b>2,360.59</b>        | <b>2,812.67</b>         | <b>2,552.72</b>       | <b>2,986.58</b>         |
| <b>Total Equity and Liabilities</b>   | <b>4,536.64</b>        | <b>4,937.21</b>         | <b>4,867.36</b>       | <b>5,215.80</b>         |



**HFCL LIMITED**
**Statement of Cash Flow for the period ended September 30, 2021**
*(All amounts are in Rs.crore)*

| Particulars   | Standalone           |                    | Consolidated         |                    |
|---|----------------------|--------------------|----------------------|--------------------|
|   | For the period ended | For the year ended | For the period ended | For the year ended |
|   | Sep. 30, 2021        | March 31, 2021     | Sep. 30, 2021        | March 31, 2021     |
|   | Un-Audited           | Audited            | Un-Audited           | Audited            |
| <b>I. Cash flow from Operating Activities :</b>                                 |                      |                    |                      |                    |
| <b>Net Profit before taxes and Exceptional items</b>                            | 203.88               | 295.87             | 239.29               | 336.86             |
| <b>Adjustments for :</b>  |                      |                    |                      |                    |
| Depreciation, Impairment and Amortization expenses                              | 26.17                | 53.59              | 35.83                | 68.63              |
| (Gain)/Loss on disposal of property, plant and equipment                        | (0.08)               | 0.03               | (0.08)               | 0.03               |
| Financial Guarantee impairment  | -                    | (2.89)             | -                    | (0.40)             |
| Impairment loss, Bad Debts, advances and miscellaneous balances written off     | (0.42)               | 3.98               | (0.42)               | 4.66               |
| Employee Share based payments expenses  | 2.11                 | 3.69               | 2.22                 | 3.89               |
| Share of profit of joint ventures   | -                    | -                  | 0.09                 | -                  |
| Dividend and interest income classified as investing cash flows                 | (1.59)               | (2.33)             | (1.65)               | (3.77)             |
| Finance costs (net)   | 73.97                | 148.25             | 90.21                | 176.09             |
|   | 100.16               | 204.32             | 126.20               | 249.13             |
| <b>Change in operating assets and liabilities :</b>                             |                      |                    |                      |                    |
| (Increase)/ Decrease in Trade and other receivables                             | 398.60               | (1,311.20)         | 392.20               | (1,330.79)         |
| (Increase)/ Decrease in Inventories   | 32.67                | (33.86)            | 8.52                 | (91.59)            |
| Increase/ (Decrease) in Trade payables  | (334.91)             | 869.75             | (344.24)             | 932.72             |
| (Increase)/ Decrease in other financial assets                                  | 111.62               | (11.27)            | 102.56               | (14.00)            |
| (Increase)/ Decrease in other non-current assets                                | (12.97)              | 17.36              | (13.73)              | 20.91              |
| (Increase)/ Decrease in other current assets                                    | (121.89)             | 3.91               | (120.79)             | 1.17               |
| Increase / (Decrease) in provisions   | 3.09                 | 1.46               | 3.15                 | 1.43               |
| Increase in other non-current liabilities                                       | (2.13)               | 7.97               | (2.64)               | 7.89               |
| Increase/(Decrease) in other current liabilities                                | 56.74                | (36.69)            | 71.31                | (39.12)            |
|   | 130.82               | (492.57)           | 96.34                | (511.38)           |
| <b>Cash generated from operations</b>   | 434.86               | 7.62               | 461.83               | 74.61              |
| Income taxes paid/refund (net)  | (13.69)              | (12.63)            | (21.66)              | (17.79)            |
| <b>Net cash inflow from / (used in) operating activities</b>                    | 421.17               | (5.01)             | 440.17               | 56.82              |
| <b>II Cash flow from Investing activities</b>                                   |                      |                    |                      |                    |
| Payment for acquisition of subsidiary, net of cash acquired                     | (2.50)               | (12.96)            | (1.50)               | (13.03)            |
| Payments for property, plant and equipment including CWIP                       | (44.99)              | (56.91)            | (65.55)              | (97.37)            |
| Payments for Intangible Assets  | (11.54)              | (7.73)             | (11.54)              | (8.70)             |
| Payment for loan to related party   | (1.00)               | 3.75               | 0.52                 | 3.11               |
| Proceeds from sale of property, plant and equipment                             | 0.29                 | 2.14               | (1.36)               | 2.15               |
| Proceeds from sale of Investment  | 0.01                 | 33.13              | -                    | 33.13              |
| Interest received   | -                    | -                  | 1.22                 | 3.77               |
| <b>Net Cash flow from / (used in) investing activities</b>                      | (59.73)              | (38.58)            | (78.21)              | (76.94)            |
| <b>III Cash flow from Financing Activities</b>                                  |                      |                    |                      |                    |
| Proceeds from issues of ESOP  | 4.35                 | -                  | 4.35                 | -                  |
| Proceeds from borrowings  | 31.57                | 262.98             | 51.25                | 280.95             |
| (Repayment) of borrowings   | (284.89)             | (70.42)            | (287.76)             | (73.83)            |
| (Repayment) of lease liabilities  | (7.63)               | (7.59)             | (7.73)               | (7.76)             |
|   | (256.60)             | 184.97             | (239.89)             | 199.36             |
| Finance Costs paid  | (71.91)              | (134.31)           | (88.02)              | (174.38)           |
| Dividend & tax thereon paid   | -                    | -                  | -                    | -                  |
| <b>Net Cash flow from/ (used in) financing activities</b>                       | (328.51)             | 50.66              | (327.91)             | 24.98              |
| <b>IV Net increase/(decrease) in cash &amp; cash equivalents (I + II + III)</b> | 32.93                | 7.07               | 34.05                | 4.86               |
| <b>V Cash and cash equivalents at the beginning of the financial year</b>       | 19.79                | 12.72              | 21.30                | 16.44              |
| <b>VI Cash and cash equivalents at end of the year</b>                          | 52.72                | 19.79              | 55.35                | 21.30              |

