



An Environment conscious company certified to ISO 14001 Standard

**HIMACHAL FUTURISTIC COMMUNICATIONS LTD.**

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Date: 4<sup>th</sup> March, 2019

HFCL/SEC/18-19/

The Secretary The National Stock Exchange of India Limited Exchange Plaza, 5 <sup>th</sup> Floor Plot no. C-1, Block G Bandra Kurla Complex, Bandra (East) MUMBAI- 400 051	The Secretary BSE Limited 27 <sup>th</sup> Floor Phiroze Jeejeebhoy Towers Dalal Street, MUMBAI-400 001
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Dear Sir,

**RE: HFCL bags Work Order for Rs.527.44 crores ~ from Jharkhand Communication Network Limited ("JCNL") for implementing Bharat Net Phase-II in the State of Jharkhand**

We are pleased to inform all the stakeholders that the Company has received a Work Order ("WO") worth Rs.527.44 crores ~ from Jharkhand Communication Network Limited ("JCNL"), Ranchi vide its letter no. JCNL/RFP Phase -II- 04/2017 (Part -A)- 217 dated 1<sup>st</sup> March, 2019 for Survey, Planning, Supply, Installation, end to end Integration, Testing and Commissioning of Optical Fibre Cable (OFC) (Underground & Aerial), GPON network and Radio Network at 1684 Gram Panchayats of the Jharkhand. The scope of work under the above WO also include Operation and Maintenance ("O&M") for a period of four years including one year warranty period and facilitating services provisioning of the created network in the State of Jharkhand under BharatNet Phase – II programme of Government of India. The JCNL will issue a separate WO worth Rs.92.52 crores ~ for additional four years of O&M before expiry of this WO.

The aforesaid Project is 100% funded by the Universal Service Obligation Fund (USOF), Department of Telecommunications, Ministry of Communications, Government of India under state led model.

BharatNet Programme forms one of the Key Pillars of Digital India Program. It is a project of national importance, envisage to connect & provide broadband connectivity at around 2,50,500 Gram Panchayats in the country.

We would like to submit the following details regarding the said WO:

Sr. No.	Particulars	Information
1	Name of the Entity awarding the Order(s)/Contract(s)	Jharkhand Communication Network Limited
2	Significant terms and conditions of Order(s)/Contract(s) awarded in brief	<p><b>Delivery Schedule</b> The term of this Project will be initially for a period of 5 years (one year for implementation and 4 years for O&amp;M including 1 year warranty period after 100% implementation).</p> <p><b>Payment terms</b></p> <p>a) <b>Payment Milestone against Material:</b></p> <ol style="list-style-type: none"> <li>10% as mobilization advance;</li> <li>50% after Delivery of hardware at project store;</li> <li>30% is milestones based depending upon connectivity of GPs within a year and</li> <li>10% after 1 year of Go-live of the Project.</li> </ol> <p>b) <b>Payment Milestone against Services:</b></p> <ol style="list-style-type: none"> <li>10% as mobilization advance;</li> </ol>

*Handwritten signature*

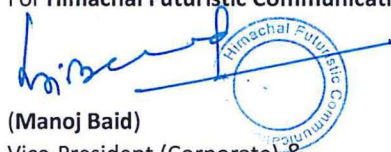
		<p>2. 80% is milestone based depending upon connectivity of GPs within a year time; and</p> <p>3. 10% after one year of Go-live of the Project</p> <p>c) <b>O&amp;M Payment:</b> Quarterly payments</p>
3	Whether Order(s) / Contract(s) have been awarded by domestic/ international entity	Domestic entity
4	Nature of Order(s) / Contract(s)	Survey, Planning, Supply, Installation, end to end Integration, Testing and Commissioning of Optical Fibre Cable (OFC) (Underground & Aerial), GPON network and Radio Network at 1684 Gram Panchayats of the Jharkhand. The scope of work under the above WO also include O&M for a period of four years including one year warranty period and facilitating services provisioning of the created network in the State of Jharkhand under BharatNet Phase – II programme of Government of India.
5	Whether domestic or international	Domestic
6	Time period by which the Order(s)/Contract(s) is to be executed	<ul style="list-style-type: none"> <li>• One year from the date of WO for implementation of the Project</li> <li>• Four years for O&amp;M including one year warranty period after 100% implementation.</li> </ul>
7	Broad consideration or size of the order(s)/contract(s)	Rs.217.70 crores ~ for supply of material, Rs.240.35 crores ~ for supply of services and Rs.69.39 crores ~ for three years O&M aggregating to Rs.527.44 crores ~. After 5 <sup>th</sup> year, separate WO of Rs.92.52 crores ~ shall be issued by JCNL for O&M for the remaining 4 years.
8	Whether the promoter/ promoter group / group companies have any interest in the entity that awarded the order(s)/ contract(s)? If yes, nature of interest and details thereof	No
9	Whether the order(s)/contract(s) would fall within related party transactions? If yes, whether the same is done at "arms length	No

This is for your information and records please.

Thanking you,

Yours faithfully,

For **Himachal Futuristic Communications Limited**



**(Manoj Baid)**

Vice-President (Corporate) &  
Company Secretary