HFCLGROUP

JAS-ANZ

ISO 9001

ISO 14001

An Environment conscious company certified to ISO 14001 Standard

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Himachal Futuristic Communications Limited

Registered Office: 8, Electronics Complex, Chambaghat, Solan-173 213, Himachal Pradesh
Corporate Identity Number (CIN) : L64200HP1987PLC007466

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results- **Consolidated** for the Financial year ended 31st March, 2017

Statement on Impact of Audit Qualifications for the financial year ended 31st March, 2017
(Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016)

(Rs. in Crores)

	Sl No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
I	1	Turnover/ Total Income	2400.49	2400.49
	2	Total Expenditure	2276.27	2276.27
	3	Net Profit /(Loss)	124.22	124.22
	4	Earnings per share	1.00	1.00
	5	Total Assets	2274.76	2274.76
	6	Total Liabilities	2274.76	2274.76
	7	Net worth	964.98	964.98
II	Audit Qualification (each audit qualification separately)			
	a. Details of Audit Qualification:			**As per Annexure A**
	b. Type of Audit Qualification: Qualified Opinion / Disclaimer of Opinion / Adverse Opinion: **Qualified Opinion**			
	c. Frequency of qualification: Whether appeared first time/ repetitive/ since how long continuing: **Appearing first time.**			
	d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: **As per Annexure A**			
	e. For Audit Qualification(s) where the impact is not quantified by the auditor: Not Applicable **(N.A.)**			
	i. Management's estimation on the impact of Audit Qualification : **N.A.**			

KHANDELWAL JAIN & CO. DELHI

	ii. If management is unable to estimate the impact, reasons for the same: **N.A.**			
	iii. Auditors' comments on (i) or (ii) above: **N.A.**			
III	**Signatories**			
	(Mahendra Nahata) Managing Director	**For Khandelwal Jain & Co. (FRN: 105049W) Chartered Accountants (Manish Singhal) M. No. 502570**	**(V R Jain) CFO**	**(M P Shukla) Chairman- Audit Committee**

Annexure A

HFCL Audit Qualifications on the Consolidated Financial Statements of FY 2016-17

Sr. No	Details of Audit Qualification(s)	Management's Views
1.	Auditors in their Consolidated Audit Report has stated that one of the subsidiary has not made the provision for interest amounting to Rs.150.21 lakhs pending adjustment of one of the claims against the outstanding loans along with interest dues thereon.	**Management Response:** The provision for interest on certain borrowings has not been made by the subsidiary company pending the reworking of the interest on account of adjustment of one of claim of Rs 347 lakhs against the outstanding interest on certain loans, the subsidiary company has not provided for the interest amounting to Rs. 150.21 lakhs during the year. The final adjustment for interest, if any, will be done by the subsidiary company once the reconciliation is agreed upon. Though the auditor has mentioned the maximum impact of Rs.150.21 Lakhs, however the management of the subsidiary company is discussing the matter with the concerned lender for the adjustment/ reversal of excess interest, as the case may be. Hence the impact is not ascertainable at present.

KHANDELWAL & CO. NEW DELHI Chartered Accountants