

## Corporate Governance Report

Corporate Governance is a set of standards which aims to improve the Company's image, efficiency and effectiveness. It is the road map, which guides and directs the Board of Directors of the Company to govern the affairs of the Company in a manner most beneficial to all the Shareholders, the Creditors, the Government and the Society at large.

The status of implementation of Clause 49 of the Listing Agreement with the Stock Exchanges on Corporate Governance in the Company is as under:-

### 1. HFCL Philosophy on Corporate Governance

The cardinal principles of the Corporate Philosophy of HFCL on Corporate Governance can be summarised in the following words:

**“Transparency, professionalism and  
Accountability  
With an  
Ultimate aim of value creation”**

HFCL Corporate Philosophy envisages complete transparency and adequate disclosures with an ultimate aim

of value creation for all players i.e. the Stakeholders, the Creditors, the Government and the Employees.

### 2. Board of Directors

The Board composition is in compliance with the Clause 49 of the Listing Agreement. As on 31st March, 2014, Company had six Directors on the Board. More than fifty percent of the Board comprised of Non-Executive Directors. Out of six Directors, three are Non-Executive Independent Directors including one Nominee Director, one Non-Executive Director and two Wholtime Directors including one Promoter Managing Director as on 31st March, 2014. The Chairman of the Board is Non- Executive Independent Director.

The members on the Board possess adequate experience, expertise and skills necessary to manage the affairs of the Company in the most efficient manner.

During the financial year 31st March, 2014, five Board Meetings were held on 29-04-2013, 22-07-2013, 23-08-2013, 16-10-2013 and 18-01-2014. The last Annual General Meeting was held on 30th September, 2013.

**The attendance of Directors at the Board Meetings held during the financial year under review as well as in the last Annual General Meeting and the number of the other Directorships/Committee positions presently held by them are as under:-**

Name	Director Identification No.	Category	No. of other present Directorships held in public companies	No. of Board Meetings		Attended last AGM (30-09-2013)	Shareholdings in the Company
				Held	Attended		
Shri M P Shukla	00052977	NEID	2	5	5	YES	Nil
Shri Mahendra Nahata	00052898	PD [MD]	2	5	5	NO	73477
Shri Arvind Kharabanda	00052270	WD	-	5	5	YES	Nil
Dr. R M Kastia	00053059	NED	1	5	5	NO	Nil
Shri Y L Agarwal	00024770	NEID	3	5	5	YES	Nil
Shri S G Nadkarni (IDBI Nominee)	03401830	NEID	-	5	4	NO	Nil

[NEID - Non-Executive Independent Director, PD - Promoter Director, MD - Managing Director, WD - Wholtime Director, NED-Non Executive Director]

**Present Directorship in other Companies/Committee Position (including Himachal Futuristic Communications Ltd.)**

Sr. No.	Name of Director	Directorships (Name of Companies)*	Committee Position		
			Name of the Company	Committee	Position
1.	Shri M P Shukla	1. HFCL Satellite Communications Ltd. 2. HTL Ltd.	Himachal Futuristic Communications Ltd.	Audit	Chairman
			Himachal Futuristic Communications Ltd.	Stakeholders Relationship	Chairman
			Himachal Futuristic Communications Ltd.	Nomination & Remuneration	Member
			HFCL Satellite Communications Ltd.	Audit	Member
			HTL Ltd.	Audit	Chairman
			HTL Ltd.	Nomination & Remuneration	Member
2.	Shri Mahendra Nahata	1. HTL Ltd. 2. Reliance Jio Infocomm Ltd.	Reliance Jio Infocomm Ltd.	Audit	Member
3.	Shri Arvind Kharabanda	Nil	Himachal Futuristic Communications Ltd.	Audit	Member
			Himachal Futuristic Communications Ltd.	Stakeholders Relationship	Member
4.	Dr. R M Kastia	1. HTL Ltd.	Himachal Futuristic Communications Ltd.	Stakeholders Relationship	Member
			Himachal Futuristic Communications Ltd.	Nomination & Remuneration	Member
			HTL Ltd.	Audit	Member
5.	Shri Y L Agarwal	1. HTL Ltd. 2. HFCL Kongsung Telecom Ltd. 3. Electronics Systems Punjab Ltd.	Himachal Futuristic Communications Ltd.	Audit	Member
			Himachal Futuristic Communications Ltd.	Nomination & Remuneration	Chairman
6.	Shri S G Nadkarni	Nil	Himachal Futuristic Communications Ltd.	Audit	Member
			Himachal Futuristic Communications Ltd.	Nomination & Remuneration	Member

\* The directorship held by directors as mentioned above does not include directorship of foreign companies, Section 8 companies and private limited companies, if any.

None of the Directors on the Board hold directorships in more than ten public companies and memberships in more than ten Committees and they do not act as Chairman of more than five Committees across all companies in which they are directors.

**2.1 Information Placed before the Board**

In addition to the matters which statutorily require Board's approval, the following matters as required under Code on Corporate Governance are also regularly placed before the Board :-

- Minutes of Audit Committee Meetings, Nomination & Remuneration Committee Meetings, Stakeholders Relationship Committee Meetings and other Committees of the Board.
- Matters related to accident, dangerous happenings, material effluent and pollution problems etc., if any.
- Details of Joint Venture / Collaboration agreements.
- Significant Labour problem.
- Quarterly/ Yearly financial results of the Company.
- Financial Statements, Audit Report and Board Report.
- Appointment, Remuneration and Resignation of Directors.
- Formation/ reconstitution of Board Committees.
- Disclosure of Directors interest and their shareholdings.
- Declaration of Dividend.
- Issue of securities.
- Proposal for major investments, mergers, amalgamation and reconstructions.
- Reconciliation of Share Capital Audit under SEBI (Depositories and Participants) Regulations, 1996.
- Disclosure of material related party transactions, if any, with potential for conflict of interest.
- Quarterly details of Foreign Exchange exposures.
- Compliance with Regulatory and Statutory requirements including listing requirements and shareholders services.
- Details of show cause, demand, prosecution and penalty notices which are materially important.
- Any material default, in financial obligations to and by the Company or substantial non- payment of goods sold by the Company.

- Details of public or product liability, claims of substantial nature including any adverse judgments.
- Transactions involving substantial payments towards goodwill, brand equity or intellectual property.
- Sale of material nature of investments, subsidiaries and assets which are outside the normal course of business.
- Board minutes of the unlisted subsidiary companies.

### 3. Committees of the Board

In terms of the SEBI Code on the Corporate Governance, the Board of the Company has constituted the following Committees: -

#### Audit Committee

#### Nomination & Remuneration Committee

#### Stakeholders Relationship Committee

### 3.1 Audit Committee

The followings are the members and their attendance at the Committee Meetings during the financial year ended 31st March, 2014:-

Name of Director	Status	No. of Meetings	
		Held	Attended
Shri M P Shukla	Chairman	5	5
Shri Y L Agarwal	Member	5	5
Shri Arvind Kharabanda	Member	5	5
Shri S G Nadkarni	Member	5	4

During the financial year ended 31st March, 2014, the Audit Committee met five times on 29-04-2013, 27-07-2013, 23-08-2013, 16-10-2013 and 18-01-2014.

The broad terms of references of Audit Committee are as under: -

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- Recommending the appointment / re-appointment of external and internal auditors, tax auditors, cost auditors, fixation of statutory audit fees, internal audit fees and tax audit fees and also approval for payment of any other services.
- Review with management, the annual financial statements before submission to the Board.
- Review quarterly un-audited/audited financial results/ quarterly review reports.
- Review with management, performance of external and internal auditors, adequacy of internal control system.
- To do any internal investigations either departmentally or with the help of internal auditors or any other outside agency into matters where there is suspected fraud or irregularities.
- Discussions with external auditors before the audit commences about nature and scope of audit as well as have post audit discussions to ascertain any area of concern.
- Review the Company's financial and risk management policies.

- To look into the reasons for substantial defaults in the payment to the depositors, debentureholders, shareholders and creditors.
- Review of the use/application of money raised through Public/Rights/Preference Issue.
- Review and monitor auditors independence and performance and effectiveness of audit process.
- Scrutiny of inter corporate loans and investments.
- Valuation of undertakings or assets of the Company where it is necessary.
- Evaluation of internal financial control and risk management systems.

Shri Mahendra Pratap Shukla, Non-Executive Independent Director is the Chairman of the Committee. The Company Secretary acts as Secretary to the Committee.

### 3.2 Nomination & Remuneration Committee

The Board of Directors of the Company has constituted a Nomination & Remuneration Committee which is responsible for determining the Company's policy on specific remuneration package for Executive Directors including any compensation payment. The following are members of the Committee and their attendance at the Committee Meeting held during the financial year ended 31st March, 2014.

Name of Director	Status	No. of Meetings	
		Held	Attended
Shri M P Shukla	Chairman (up to 29-04-2014) Member (w.e.f. 30-04-2014)	1	1
Shri Y L Agarwal	Member (up to 29-04-2014) Chairman (w.e.f. 30-04-2014)	1	1
Dr. R M Kastia	Member	1	1
Shri S G Nadkarni	Member (w.e.f. 18-01-2014)	0	0

The terms of reference of this Committee amongst others includes the following:-

- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration for directors, key managerial personnel and other employees.
- To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

The details of remuneration paid to the Executive and Non-Executive Directors during the financial year 2013-14 are given below:-

Name of Director	Salary	Allowances	Perks etc.	Contribution to PF	Sitting Fee	Total
<b>Category A - Executive Directors</b>						
Shri Mahendra Nahata Managing Director	90,00,000	46,32,711	15,13,729	10,80,000	-	1,62,26,440
Shri Arvind Kharabanda Director (Finance)	28,80,000	19,68,000	12,12,495	3,45,600	-	64,06,095
<b>Category B – Nominee Director (Independent Director)</b>						
Shri S G Nadkarni Director	-	-	-	-	80,000	80,000
<b>Category C – Non-Executive Independent Directors/ Non-Executive Directors</b>						
Shri M P Shukla Chairman	-	-	-	-	1,60,000	1,60,000
Shri Y L Agarwal Director	-	-	-	-	1,10,000	1,10,000
Dr. R M Kastia Director	-	-	-	-	1,00,000	1,00,000

The non-executive directors are paid sitting fee of ₹10000/- for every Board / Committee meeting attended by them.

### 3.3 Details of pecuniary relationship/transactions of the Non- Wholetime Directors/ their Firms & Companies vis-a-vis the Company during the financial year 2013-2014

Nil

### 3.4 Stakeholders Relationship Committee

Pursuant to provisions of Section 178(5) of the Companies Act, 2013, the existing "Share Transfer & Investors Grievance Committee" was renamed as "Stakeholders Relationship Committee" by the Board at their meeting held on 30th April, 2014. The scope of the Stakeholders Relationship Committee shall remain the same as that of existing Share Transfer & Investors Grievance Committee.

The Committee consists of one Non-Executive Independent Director, one Non-Executive Director and one Wholetime Director and is chaired by the Non- Executive Independent Director. This Committee looks into transfer and transmission of shares/debentures/bonds etc., issue of duplicate share certificates, issue of shares on rematerialisation, consolidation and sub-division of shares and investors' grievances. This Committee particularly looks into the investors grievances and oversees the performance of the Share Department /Share Transfer Agent and to ensure prompt and efficient investors' services. During the financial year ended 31st March, 2014, the Share Transfer & Investors Grievance Committee met five times on 30-05-2013, 22-07-2013, 05-08-2013, 09-12-2013 and 18-12-2013. The followings are the members and their attendance at the Committee Meeting:-

Name of Director	Status	No. of Meetings	
		Held	Attended
Shri M P Shukla	Chairman	5	5
Dr. R M Kastia	Member	5	1
Shri Arvind Kharabanda	Member	5	5

More details on share transfers, investors' complaints etc. are given in the shareholders' information section of this report.

The Board has delegated powers of share transfer and dematerialisation to Shri Manoj Baid, Company Secretary to expedite the process of share transfer/ dematerialisation work.

### 4. General Body Meetings

Location and time where General Meetings held in the last 3 years is given below:

YEAR	AGM/ EGM	LOCATION	DATE	TIME
2012-2013	AGM	Mushroom Centre, Solan	30-09-2013	11:00 A.M.
2011-2012	AGM	Mushroom Centre, Solan	28-09-2012	11:00 A.M.
2010-2011	AGM	Electronics Complex, Chambaghat, Solan	24-09-2011	11:00 A.M.

The following resolutions were passed as Special Resolutions in previous three years AGMs/ EGMs:-

YEAR	AGM/ EGM	SUBJECT MATTER OF SPECIAL RESOLUTIONS	DATE	TIME
2012-2013	AGM	Increase in remuneration of Shri Mahendra Nahata, Managing Director Waiver of excess remuneration paid to Shri Mahendra Nahata, Managing Director Waiver of excess remuneration paid to Shri Arvind Kharabanda, Director (Finance) Waiver of excess remuneration paid to Dr. R M Kastia	30-09-2013	11:00 A.M.
2011-2012	AGM	Re-appointment of Shri Mahendra Nahata, Managing Director Re-appointment of Shri Arvind Kharabanda, Director (Finance)	28-09-2012	11:00 A.M.
2010-2011	AGM	Issue and allotment of Equity Shares to Financial Institutions/ Banks pursuant to Corporate Debt Restructuring	24-09-2011	11:00 A.M.

No Special resolution was put through postal ballot during the financial year 2013-14. None of the business proposed to be transacted in the ensuing Annual General Meeting (AGM) require passing a Special Resolution through postal ballot.

**5. Disclosures on materially significant related party transactions with Promoters, Directors, Management, their Subsidiaries or Relatives etc., which may have potential conflict with the interest of the Company at large.**

None of the materially significant transactions with any of the related parties were in conflict with the interest of the Company. Attention of the members is drawn to the disclosures of transactions with related parties set out in note no. 44 of the Standalone Financial Statements forming part of the Annual Report.

**6. Non-compliance by Company, penalties, strictures imposed on the Company by Stock Exchanges / Securities and Exchange Board of India (SEBI) etc. in the last 3 years.**

None.

**7. Secretarial Audit**

(i) Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half- yearly basis, have been issued by a Company Secretary in-Practice for due compliance of share transfer formalities by the Company.

(ii) A Company Secretary in-Practice carries out a reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited and Central Depository Services (India) Limited ("Depositories") and the total issued and listed capital. The audit confirms that the total issued/paid-up capital is in agreement with the aggregate of the total number of shares in physical form and total number of shares in dematerialised form held with Depositories.

**8. CEO & CFO certification**

The Managing Director, Director (Finance) and Chief Finance Officer give annual certifications on financial reporting and internal controls to the Board in terms of Clause 49 of the Listing Agreement.

**9. Whistle Blower Policy**

The Board of Directors of the Company has adopted Whistle Blower Policy. The management of the Company, through this policy envisages to encourage the employees of the

Company to report to the higher authorities any unethical, improper, illegal or questionable acts, deeds and things which the management or any superior may indulge in. This Policy has been circulated to employees of the Company and is also available on Company's Website. No employee of the Company is denied access to the Audit Committee.

**10. Means of Communications**

This is being done through quarterly / half yearly and annual results, which are being published in premier English and Hindi daily newspapers. The Company's website www.hfcl.com contains Annual Reports, Financial Results, Shareholding Pattern etc. All periodical compliance filings like shareholding pattern, corporate governance report etc. are filed electronically on NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance and Listing Centre. Management Discussions and Analysis forms part of the Directors' Report, which is posted to the Shareholders of the Company.

**11. Code of conduct for Board Members and Senior Management Personnel**

The Company has adopted a Code of Conduct for Directors and Senior Management Personnel and the same has been posted on the Company's website. The Directors and the Senior Management Personnel affirm the Compliance of the Code annually. A certificate to this effect is attached to this Report duly signed by the Managing Director.

**12. Shares/Convertible Instruments held by Non-Executive Directors**

Nil

**13. Extent to which mandatory requirements have not been complied with**

The procedure for risk assessment and minimization of risks is under preparation.

**14. Extent to which non mandatory requirements have been complied with**

i) Remuneration Committee has been formed as reported earlier in this report.

ii) The Company has formulated a Whistle Blower policy and the same has been brought to the notice of all the employees and posted on the Company's website.

## Shareholders' Information

<b>1. Dates of Book Closing</b>	16th September, 2014 to 19th September, 2014 (both days inclusive)
<b>2. Date and venue of Annual General Meeting</b>	30th September, 2014 at 2:30 P.M. at Mushroom Centre, Chambaghat, Solan (H.P.)
<b>3. Listing on Stock Exchanges in India</b>	BSE Ltd. Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001 Tel : +91-22-22721233 Fax : +91-22-22723121  National Stock Exchange of India Ltd. Exchange Plaza, 5th Floor Plot No. C/1, G Block Bandra Kurla Complex Bandra (East) Mumbai - 400 051 Tel : +91-22-26598235 Fax : +91-22-26598237
<b>4. Status of Listing Fees</b>	Paid for 2014-2015
<b>5. Registered Office</b>	8, Electronics Complex Chambaghat Solan - 173 213 (H.P.) Tel : +91-1792-230642/44 Fax : +91-1792-231902
<b>6. Corporate Office</b>	8, Commercial Complex Masjid Moth, Greater Kailash - II New Delhi - 110 048 Tel : +91-11-30882624 Fax : +91-11-30689013
<b>7. Plant Locations</b>	<b>Telecom Equipment Plant</b> Electronics Complex Chambaghat Solan - 173 213 (H.P.) Tel : +91-1792-230642/44 Fax : +91-1792-231902  <b>Optical Fibre Cable Plant</b> L 35-37, Industrial Area, Phase - II Verna Electronic City, Salcete Goa - 403 722 Tel : +91-832-6697000 Fax : +91-832-2783444
<b>8. CIN No.</b>	L64200HP1987PLC007466
<b>9. Website/Email</b>	www.hfcl.com / secretarial@hfcl.com & investor@hfcl.com
<b>10. Name of News Papers in which results are generally published</b>	Economic Times, Indian Express, Jansatta, Dainik Tribune
<b>11. Depositories</b>	National Securities Depository Ltd. 4th Floor, 'A' Wing, Trade World Kamla Mills Compound Senapati Bapat Marg, Lower Parel Mumbai - 400 013 Tel : +91-22-24994200 Fax : +91-22-24972993  Central Depository Services (India) Ltd. Phiroze Jeejeebhoy Towers 28th Floor, Dalal Street Mumbai - 400 023 Tel : +91-22-22723333 Fax : +91-22-22723199
<b>12. ISIN No.</b>	INE548A01028

**13. Share Transfer in physical form and other communication regarding share certificates, dividends and change of address etc., to be sent to:**

M/s. MCS Ltd.  
F-65, 1st Floor, Okhla Industrial Area, Phase-I  
New Delhi-110 020  
Tel : +91-11-41406149  
Fax : +91-11-41709881  
Email: admin@mcsdel.com

**14. Share Transfer System:**

Shares sent for physical transfers are generally registered and returned within a period of 15 days from the date of receipt if the documents are clear in all respects. The Stakeholders Relationship Committee meets as often as required.

**The Total Number of shares transferred in physical form during the financial year 2013-2014:**

Number of transfers	4
Number of Shares	500

**15. Investors complaints received during the financial year 2013-2014:**

Nature of Complaints	Received	Attended
Non receipt of Annual Reports	9	9
Non-receipt of dividend	5	5
Issue of Duplicate shares	1	1
Reduction of Share Capital	7	7
Others	3	3
<b>Total</b>	<b>25</b>	<b>25</b>

The Company has attended to the investor's grievances/ correspondence within a period of 15 days from the date of receipt of the same during the financial year 2013-2014 except in cases which are constrained by disputes and legal impediments. There were no investor grievances remaining unattended/pending as at 31st March, 2014. The Board in its meeting held on 31st October, 2006 has designated Shri Manoj Baid, Company Secretary as the Compliance Officer.

**16. Distribution of shareholdings as on 31st March, 2014**

No. of Equity held (₹)	No. of Shareholders	% of Shareholders	Shares Amount (₹)	% of Shareholdings
Up to 5000	249776	96.965	133512915	10.773
5001 – 10000	3981	1.546	30028256	2.423
10001 – 20000	1779	0.691	25662582	2.071
20001 – 30000	676	0.261	16897242	1.363
30001 – 40000	254	0.099	9015279	0.727
40001 – 50000	170	0.066	7943271	0.641
50001 – 100000	348	0.135	25568920	2.063
100001 & above	371	0.144	989204962	79.815
Shares in Transit	239	0.093	1543767	0.124
<b>TOTAL</b>	<b>257594</b>	<b>100.000</b>	<b>1239377194</b>	<b>100.000</b>

**17. Categories of Shareholding as on 31st March, 2014:**

S. No.	Category	Shares	%
<b>A</b>	<b>Promoters Holding</b>		
1	Indian Promoters	479299214	38.67259
2	Foreign Promoters	-	-
	<b>Sub Total (A)</b>	<b>479299214</b>	<b>38.67259</b>
<b>B</b>	<b>Public Shareholding</b>		
1	Institutional Investors		
a)	Mutual Funds & UTI	384520	0.03102
b)	Banks, Financial Institutions, Insurance Companies (Central/ State Government Institutions/Non-Government Institutions)	217710310	17.56611
c)	Foreign Institutional Investors	4555035	0.36753
	<b>Sub Total (B1)</b>	<b>222649865</b>	<b>17.96466</b>
<b>2</b>	<b>Non Institutional Investors</b>		
a)	Private Corporate Bodies	264023833	21.30294
b)	Indian Public	268253349	21.64421
c)	NRIs	3419331	0.27589
d)	Any Other		
i)	Foreign Banks	5305	0.00043
ii)	Trusts	138560	0.01118
iii)	OCBs	43250	0.00349
iv)	Foreign National	720	0.00006
v)	Clearing Members	1543767	0.12455
	<b>Sub Total (B2)</b>	<b>537428115</b>	<b>43.36275</b>
	<b>Total Public Shareholding (B = B1+B2)</b>	<b>760077980</b>	<b>61.32741</b>
<b>C</b>	<b>Shares held by Custodian and against which depository receipts have been issued</b>	0	0.00000
	<b>GRAND TOTAL (A+B+C)</b>	<b>1239377194</b>	<b>100.00000</b>

**18. Top ten ordinary shareholders of the Company as on 31st March, 2014:**

Sr. No.	Name of Shareholders	No. of Shares held	%
1.	NextWave Communications Private Limited	234765000	18.942
2.	ANM Enginnering & Works Private Limited	234765000	18.942
3.	IDBI Bank Limited	150945122	12.179
4.	Oriental Bank of Commerce	52414000	4.229
5.	Reliance Industrial Investments and Holdings Limited	48532764	3.916
6.	MKJ Enterprises Limited	20135461	1.625
7.	State Bank of India	13211382	1.066
8.	Maryada Barter Private Limited	11243674	0.907
9.	Infotel Telecom Infrastructure Private Limited	11068876	0.893
10.	Jaikarni Holdings Private Limited	10000000	0.807

**19. Dematerialisation of shares:**

The Company's shares are compulsorily traded in dematerialised form as per SEBI Guidelines. As on 31st March, 2014, 99.96% of the equity shares have been dematerialised.

**20. Outstanding GDRs / ADRs or any Convertible Instruments, conversion date and any likely impact on equity:**

Outstanding GDRs as on 31st March, 2014 : Nil.



**21. Stock Market Price Data on NSE and NIFTY Index:**

Month	NSE (in ₹)		NIFTY INDEX	
	Highest	Lowest	Highest	Lowest
April, 2013	9.70	7.95	5962.30	5477.20
May, 2013	9.40	7.35	6229.45	5910.95
June, 2013	8.15	6.95	6011.00	5566.25
July, 2013	8.55	7.35	6093.35	5675.75
August, 2013	8.00	7.00	5808.50	5118.85
September, 2013	8.40	7.05	6142.50	5318.90
October, 2013	9.60	7.30	6309.05	5700.95
November, 2013	8.95	7.65	6342.95	5972.45
December, 2013	8.65	7.55	6415.25	6129.95
January, 2014	10.55	8.35	6358.30	6027.25
February, 2014	9.05	7.65	6282.70	5933.30
March, 2014	8.45	7.60	6730.05	6212.25

**22. Stock Codes: BSE : 500183 , NSE : HFCL****23. Financial Calendar (tentative and subject to change) 2014-2015:**

Financial Reporting for the first quarter ending 30th June, 2014 : **Second week of July, 2014**

Financial Reporting for the second quarter and half year ending 30th September, 2014 : **Second week of November, 2014**

Financial Reporting for the third quarter ending 31st December, 2014 : **Second week of February, 2015**

Audited Accounts for the year ending 31st March, 2015 : **Last week of May, 2015**

Annual General Meeting for the year ending 31st March, 2015 : **September, 2015**

## Declaration Regarding Compliance of Code of Conduct

I, Mahendra Nahata, Managing Director of Himachal Futuristic Communications Ltd. hereby declare that all Board Members and Senior Management Personnel have affirmed compliance of the Code of Conduct as on 31st March, 2014.

Place: New Delhi  
Date : 14th August, 2014

sd/-  
**(Mahendra Nahata)**  
Managing Director

## Certificate on Corporate Governance

To The Members of

### HIMACHAL FUTURISTIC COMMUNICATIONS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by Himachal Futuristic Communications Limited (“the Company”) for the period ended 31st March, 2014, as stipulated in clause 49 of the Listing Agreement of the said with various Stock Exchanges (hereinafter referred to as “the agreement”).
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and based on our review and to the best of our information and according to the explanations given to us and *subject to the comments given in the item no. 13 of the Corporate Governance Report*, we certify that the conditions of the Corporate Governance as stipulated in the Clause 49 of the agreement have been complied with in all material aspects by the Company.
4. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For KHANDELWAL JAIN & CO.**  
**Firm Registration No. 105049W**  
Chartered Accountants

**(Manish Singhal)**  
Partner  
Membership No.: 502570

Place: New Delhi  
Date: 14th August, 2014