

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 December 31, 2021 and for the period from April 01, 2021 to December 31, 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 issued 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 thereunder 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

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DAYAL BAID

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(P.D. Baid)
Partner
Membership No. 072625
UDIN: 22072625AAAAABR3354
Place: Jaipur
Date: January 17, 2022

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

SUNIL KUMAR
BHANSALI

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(Sunil Bhansali)
Partner
Membership No. 054645
UDIN: 22054645AAAAAB8552
Place: New Delhi
Date: January 17, 2022

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**

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 entities/ associates, for the quarter ended December 31, 2021 and for the period from April 01, 2021 to December 31, 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 Entities:

i. Subsidiaries:

- a. HTL Ltd.,
- b. Polixel Security Systems Pvt. Ltd.;
- c. Raddef Private Ltd.;
- d. Moneta Finance Pvt. Ltd.;
- e. HFCL Advance Systems Pvt. Ltd.;
- f. Dragon Wave HFCL India Pvt. Ltd.;
- g. HFCL Technologies Pvt. Ltd. (w.e.f. June 26, 2021);
- h. HFCL B.V. (w.e.f. October 07, 2021); and
- i. HFCL Inc. (w.e.f. October 08, 2021).

ii. Jointly Controlled Entities:

- a. Nimpaa Telecommunications Pvt. Ltd. (w.e.f. June 14, 2021); and
- b. BigCat Wireless Pvt. Ltd. (w.e.f. November 12, 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 revenues of Rs. 0.41 Crore and Rs. 0.41 Crore, total net profit after tax of Rs. 0.37 Crore and Rs. 0.48 Crore and total comprehensive income of Rs. 0.37 Crore and Rs. 0.48 Crore for the quarter ended December 31, 2021 and for the period from April 01, 2021 to December 31, 2021 respectively, as considered in the Statement. The Statement also includes the Group's share of net profit after tax of Rs. 0.15 Crore and Rs. 0.06 Crore and total comprehensive Income of Rs. 0.15 Crore and Rs. 0.06 Crore, for the quarter ended December 31, 2021 and for the period from April 01, 2021 to December 31, 2021 respectively, as considered in the Statement, in respect of two jointly controlled entities, 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 two jointly controlled entities, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

7. The interim financial information / financial results of five subsidiaries included in the Statement, whose interim financial information / financial results reflect revenues of Rs. 249.03 Crore and Rs. 733.98 Crore, total net profit after tax of Rs. 10.53 Crore and Rs. 36.44 Crore and total comprehensive income of Rs. 10.46 Crore and Rs. 36.33 Crore for the quarter ended December 31, 2021 and for the period from April 01, 2021 to December 31, 2021 respectively, 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.

8. The accompanying Statement includes unaudited interim financial information / financial results in respect of two foreign subsidiaries, whose interim financial information / financial results reflect total revenues of Rs. Nil and Rs. Nil, total net profit / (loss) after tax of Rs. (0.10) crore and Rs. (0.10) crores, total comprehensive income/ (loss) of Rs. (0.10) crore and Rs. (0.10) crore for the quarter ended December 31, 2021 and for the period from April 01, 2021 to December 31, 2021 respectively, as considered in the Statement whose interim financial information / financial results have been certified by the management.

The interim financial information / financial results of these subsidiaries have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of these subsidiaries is based solely on such management certified interim financial information / financial results and other financial information. According to the information and explanations given to us by the Management, these interim financial information / financial results and other financial information are not material to the Group.

Our conclusion on the Statement in respect of matters stated in paragraph 6, 7 and 8 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the interim financial information / financial results and other financial information certified by the Management.

For S. BHANDARI & CO.
Chartered Accountants
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