



GENUINE
KRONE
PRODUCTS

ADC/2019-20/FR

November 05, 2019

**Department of Corporate Services
Bombay Stock Exchange Ltd
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001**

Sub: Financial Results for the Quarter ended September 30, 2019

Ref: Scrip Code: 523411

Dear Sir,

Please find enclosed the financial results of the Company for the second quarter ended September 30, 2019 which was adopted in the Board Meeting held on November 05, 2019 and the Independent Auditors' report for the quarter.

Thanking you,

Yours faithfully,
For ADC India Communications Limited


R. Ganesh
Company Secretary

Statement of Unaudited Financial Results for the quarter and six months ended September 30, 2019

(Rs. In Lakhs)

Sl. No.	Particulars	Quarter ended 30 September-2019	Preceding 3 months ended 30-June-2019	Corresponding 3 months ended 30-September-2018	Year to date for the current period ended 30-September-2019	Year to date for the previous period ended 30-September-2018	Previous year ended 31-March-2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income						
	Revenue from operations	2,225.97	1,769.55	2,120.46	3,995.52	3,948.70	8,562.21
	Other income	30.03	44.21	81.30	74.25	155.21	305.76
	Total revenue	2,256.00	1,813.76	2,201.76	4,069.77	4,103.91	8,867.97
2	Expenses						
	Cost of raw materials, components, packing materials and services consumed	130.82	170.86	374.50	301.68	783.66	1,600.65
	Purchase of traded goods	1,599.61	1,228.34	1,405.62	2,827.96	2,434.10	5,513.52
	(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	86.33	70.89	(22.51)	157.22	17.64	(123.21)
	Employee benefits expense	92.97	91.42	86.83	184.40	162.00	336.81
	Finance cost	1.04	1.34	-	2.38	-	-
	Depreciation and amortization expense	24.64	23.82	7.21	48.46	14.17	32.58
	Other expenses	175.16	140.42	188.79	315.58	323.98	639.80
	Total Expenses	2,110.57	1,727.10	2,040.44	3,837.68	3,735.55	8,000.15
3	Profit before tax	145.43	86.66	161.32	232.09	368.36	867.82
4	Tax expense						
	Current tax	41.00	33.00	49.00	74.00	106.00	277.06
	Deferred tax charge / (credit)	(0.04)	(14.57)	0.39	(14.62)	1.49	4.43
	Total tax expense	40.96	18.43	49.39	59.38	107.49	281.49
5	Profit for the period	104.47	68.23	111.93	172.71	260.87	586.33
6	Other Comprehensive Income						
	(i) Items that will not be reclassified to profit or loss						
	(a) Remeasurements of the defined benefit liabilities / (asset)	(2.34)	(9.16)	0.47	(11.50)	13.59	4.49
	(b) Deferred tax on remeasurements of the defined benefit liabilities / (asset)	0.35	2.55	(0.13)	2.89	(3.78)	(1.25)
	Total other comprehensive income	(1.99)	(6.61)	0.34	(8.61)	9.81	3.24
7	Total comprehensive income for the period	102.48	61.62	112.27	164.10	270.68	589.57
8	Earnings per equity share (nominal value of share Rs.10)						
	Basic / Diluted EPS (Not annualised)	2.27	1.48	2.43	3.75	5.67	12.75
9	Weighted average number of equity shares in lakhs (used in computation of above)	46.00	46.00	46.00	46.00	46.00	46.00

By Order of the Board of Directors



Managing Director

Place : Bangalore
Date : November 05, 2019

ADC INDIA COMMUNICATIONS LIMITED

CIN: L32209KA1988PLC009313

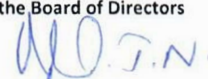
#485/8A & 8B, 14th Cross, 4th Phase, P.B. No. 5812, Peenya Industrial Area, Bangalore 560 058

Tel: +91 80 28366291 | Fax: +91 80 28362214 | Website: www.adckcl.com

Balance sheet as at September 30, 2019

Particulars	(Rs. In Lakhs)	
	As at 30-September-19 (Unaudited)	As at 31-March-19 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	78.68	74.41
(b) Investment property	297.73	302.40
(c) Right of use assets	42.29	-
(d) Financial assets		
(i) Other financial assets	51.30	49.52
(e) Deferred tax assets (net)	87.93	70.42
(f) Other non-current assets	439.17	432.96
Total non-current assets	997.10	929.71
Current assets		
(a) Inventories	640.97	835.38
(b) Financial assets		
(i) Trade receivables	2,191.95	1,490.74
(ii) Cash and bank balances	2,008.07	2,270.30
(iii) Other financial assets	4.67	3.34
(c) Other current assets	125.26	150.32
Total current assets	4,970.92	4,750.08
Total assets	5,968.02	5,679.79
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	460.00	460.00
(b) Other equity	3,349.12	3,410.52
Total equity	3,809.12	3,870.52
Non-current liabilities		
(a) Financial liabilities		
(i) Other financial liabilities	-	-
(b) Provisions	124.01	80.96
Total non-current liabilities	124.01	80.96
Current liabilities		
(a) Financial liabilities		
(i) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	-	82.41
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,926.58	1,468.54
(ii) Lease liabilities	46.02	-
(iii) Other financial liabilities	0.77	80.36
(b) Provisions	5.87	2.56
(c) Current tax liability (Net)	-	41.52
(d) Other current liabilities	55.65	52.92
Total current liabilities	2,034.89	1,728.31
Total liabilities	2,158.90	1,809.27
Total equity and liabilities	5,968.02	5,679.79

By Order of the Board of Directors



Place : Bangalore
Date : November 05, 2019

Managing Director

ADC INDIA COMMUNICATIONS LIMITED


CIN: L32209KA1988PLC009313

#485/8A & 8B, 14th Cross, 4th Phase, P.B. No. 5812, Peenya Industrial Area, Bangalore 560 058

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Statement of Cash Flows for the period ended September 30, 2019		
Particulars	(Rs. In Lakhs)	
	Year to date for the current period ended 30-September-2019	Year to date for the previous period ended 30-September-2018
	(Unaudited)	(Unaudited) Refer note 4
A. Cash flow from operating activities		
Profit before tax	232.09	368.36
Add / (Less)		
Depreciation and amortization expense	48.46	14.17
Provision for doubtful debts	20.74	29.35
Reversal of provision for doubtful receivables / advances	(6.21)	-
Unrealized foreign exchange (gain) / loss (net)	1.60	3.22
Interest expense	2.36	-
Interest income	(55.91)	(85.76)
Operating profit before working capital changes	243.14	329.34
Movements in working capital :		
Increase/ (Decrease) in trade payables	374.01	835.40
Increase/ (Decrease) in other financial liabilities (current)	(78.50)	-
Increase / (Decrease) in provisions (non-current)	1.54	(4.43)
Increase / (decrease) in provisions (current)	3.30	(15.32)
Increase/ (decrease) in other current liabilities	(8.77)	(32.74)
Decrease / (increase) in inventories	194.41	149.04
Decrease / (increase) in trade receivables	(721.95)	(542.37)
Decrease / (Increase) in financial and other assets (non-current)	(1.77)	2.78
Decrease / (Increase) in financial and other assets (current)	69.38	(53.79)
Cash generated from / (used in) operations	74.78	667.91
Direct taxes paid (net of refunds)	(118.32)	(113.97)
Net cash flow from/ (used in) operating activities	(43.54)	553.94
B. Cash flows from investing activities		
Purchase of assets, including capital advances	(19.88)	(14.99)
Interest received	54.59	103.82
Change in balances not considered as cash and cash equivalents	1.09	0.00
Net cash flow from investing activities	35.80	88.83
C. Cash flows from financing activities		
Dividends paid on equity shares	(184.00)	(184.00)
Tax on equity dividend paid	(37.82)	(37.83)
Repayment of lease liabilities	(28.13)	-
Interest paid	(2.36)	-
Net increase/(decrease) in unpaid dividend account	(1.09)	(0.00)
Net cash flow used in financing activities	(253.40)	(221.83)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	(261.14)	420.94
Cash and cash equivalents at the beginning of the year	2,268.44	2,981.93
Cash and cash equivalents at the end of the year	2,007.30	3,402.87
Components of cash and cash equivalents		
Cash on hand		
Balances with banks:		
- in current accounts	357.30	272.87
- in deposit accounts	1,650.00	3,130.00
Total cash and cash equivalents	2,007.30	3,402.87

By Order of the Board of Directors



Place : Bangalore

Date : November 05, 2019

Managing Director

Segment wise Revenue, Results and Capital Employed under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

Sl. No.	Particulars	Quarter ended 30-September-2019	Preceding 3 months ended 30-June-2019	Corresponding 3 months ended 30-September-2018	Year to date for the current period ended 30-September 2019	Year to date for the previous period ended 30-September 2018	Previous year ended 31-March-2019
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Segment Revenue						
	a. Telecommunication	292.32	247.98	427.01	540.30	790.21	1,166.67
	b. IT - Networking	1,933.65	1,521.57	1,693.45	3,455.22	3,158.49	7,395.54
	Total	2,225.97	1,769.55	2,120.46	3,995.52	3,948.70	8,562.21
	Less : Inter segment revenue	-	-	-	-	-	-
	Net sales/ Income from operations	2,225.97	1,769.55	2,120.46	3,995.52	3,948.70	8,562.21
2	Segment Results (Profit) (+) / Loss (-) before Tax and Interest from each segment						
	a. Telecommunication	18.48	6.95	16.86	25.43	43.10	79.65
	b. IT - Networking	102.72	36.27	63.16	138.99	170.05	496.03
	Total	121.20	43.22	80.02	164.42	213.15	575.68
	Add/(Less) : a. Interest & Rental Income (net)	24.23	43.44	81.30	67.67	155.21	292.14
	b. Other un-allocable expenditure net of un-allocable income	-	-	-	-	-	-
	Total Profit Before Tax	145.43	86.66	161.32	232.09	368.36	867.82
3	Segment Assets						
	a. Telecommunication	509.03	508.35	658.85	509.03	658.85	503.25
	b. IT - Networking	3,224.49	2,633.21	2,605.84	3,224.49	2,605.84	2,742.97
	c. Unallocable	2,234.50	2,261.97	3,618.06	2,234.50	3,618.06	2,433.57
	Total	5,968.02	5,403.53	6,882.75	5,968.02	6,882.75	5,679.79
4	Segment Liabilities						
	a. Telecommunication	277.57	187.89	404.83	277.57	404.83	221.14
	b. IT - Networking	1,773.12	1,178.65	1,622.42	1,773.12	1,622.42	1,400.33
	c. Unallocable	108.21	108.53	194.76	108.21	194.76	187.80
	Total	2,158.90	1,475.07	2,222.01	2,158.90	2,222.01	1,809.27

Notes :

- These financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
- The above results were taken on record by the Board of Directors at its meeting held on November 05, 2019.
- Segment Assets & Liabilities - Unallocable amount represents assets/liabilities used interchangeably between segments.
- The statement of cash flows for the corresponding six months ended September 30, 2018 have been approved by the Company's Board of Directors, but have not been subjected to review by the auditors.
- Effective April 1, 2019, the Company has applied IND AS 116 "Leases" to all applicable lease contracts existing on April 1, 2019 using the modified retrospective method. Accordingly, the cumulative adjustment on application of the standard has been adjusted to retaining earnings on the date of initial application and comparatives for the year ended March 31, 2019 and six months ended September 30, 2018 have not been retrospectively adjusted. The impact of the application of the standard on the results were not significant.
- During the quarter, the Company has paid final dividend of Rs.4/- per equity share to all eligible shareholders as recommended by the Board of Directors at its meeting held on May 28, 2019 and approved by the shareholders at 31st Annual General Meeting held on July 29, 2019.
- During the current quarter, pursuant to the enactment of Taxation Laws (Amendment) Ordinance, 2019, Section 115BAA was introduced which provides for reduced tax rate of 22 % (effective tax rate 25.17 %) for all the domestic companies. The Company has computed its tax liabilities at the reduced rate.
- Previous period's figures have been regrouped / reclassified, wherever necessary to conform to the current period grouping/classification.

By Order of the Board of Directors



Place : Bangalore
Date : November 05, 2019

Managing Director

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS
TO THE BOARD OF DIRECTORS OF
ADC INDIA COMMUNICATIONS LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **ADC INDIA COMMUNICATIONS LIMITED** ("the Company"), for the quarter and six months ended September 30, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the 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. Our responsibility is to express a conclusion on the Statement based on our review.
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 (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel 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 specified under section 143(10) of the Companies Act, 2013 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.

Attention is drawn to Note 4 of the Statement which states that the statement of cash flows for the corresponding six months ended September 30, 2018, as reported in the accompanying Statement have been approved by the Company's Board of Directors, but have not been subjected to review.

4. Based on our review conducted as stated in paragraph 3 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 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

for **Deloitte Haskins & Sells**
Chartered Accountants
Firm's Registration No. 008072S



Sathya P Koushik
Partner
Membership No. 206920

Place : Bangalore
Date : November 5, 2019