



ADC/2019-20/FR

May 20, 2020

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

Sub: Audited Financial Results for the Year ended March 31, 2020

Ref: Scrip Code: 523411

Dear Sir,

The Board of Directors of the Company have at their meeting held today (May 20, 2020) approved the audited financial results of the Company for the quarter and year ended March 31, 2020.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we enclose the following:

1. Audited financial results of the Company for the quarter and year ended March 31, 2020.
2. Independent Auditors Report with respect to the above financial results.

Further in terms of Regulation 33(3)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified vide SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016 we hereby declare that the Statutory Auditors of the Company have given an unmodified opinion on the aforesaid results.

Please take the above on your record.

Thanking you,

Yours faithfully,

For ADC India Communications Limited

**R. Ganesh
Company Secretary**

ADC India Communications Limited

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

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CIN: L32209KA1988PLC009313

ADC INDIA COMMUNICATIONS LIMITED

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

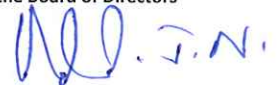
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Statement of Audited Financial Results for the year ended March 31, 2020
And Unaudited Financial Results for the quarter ended March 31, 2020

(Rs. In Lakhs)

Sl. No.	Particulars	3 months ended 31-March-2020	Preceding 3 months ended 31-December-2019	Corresponding 3 Months ended 31-March-2019	Year to date for the current year ended 31-March-2020	Year to date for the previous year ended 31-March-2019
		Refer Note 4	(Unaudited)	Refer Note 4	(Audited)	(Audited)
1	Income					
	Revenue from operations	1,497.71	2,319.77	2,180.52	7,812.99	8,562.21
	Other income	43.44	21.39	66.81	139.08	305.76
	Total revenue	1,541.15	2,341.16	2,247.33	7,952.07	8,867.97
2	Expenses					
	Cost of raw materials, components, packing materials and services consumed	124.34	196.56	367.10	656.18	1,604.40
	Purchase of traded goods	1,151.15	1,830.37	1,433.62	5,809.48	5,513.51
	(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	(72.09)	(128.11)	(27.51)	(42.98)	(123.21)
	Excise duty on sale of goods	-	-	-	-	-
	Employee benefits expense	95.91	84.63	71.52	364.93	336.81
	Finance cost	2.60	0.76		5.74	
	Depreciation and amortization expense	24.30	24.57	9.56	97.34	32.58
	Other expenses	107.31	150.66	190.08	539.95	636.05
	Total Expenses	1,433.52	2,159.44	2,044.37	7,430.64	8,000.14
3	Profit before tax	107.63	181.72	202.96	521.43	867.82
4	Tax expense					
	Current tax	15.69	46.00	89.06	135.69	277.06
	Deferred tax charge / (credit)	8.38	12.24	(0.96)	6.00	4.43
	Total tax expense	24.07	58.24	88.10	141.69	281.49
5	Profit for the period	83.56	123.48	114.86	379.74	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)	1.73	0.04	(4.87)	(9.74)	4.49
	(b) Deferred tax on remeasurements of the defined benefit liabilities / (asset)	(0.43)	(0.01)	1.36	2.45	(1.25)
	Total other comprehensive income	1.30	0.03	(3.51)	(7.29)	3.24
7	Total comprehensive income for the period	84.86	123.51	111.35	372.45	589.57
8	Earnings per equity share (nominal value of share Rs.10)					
	Basic / Diluted EPS (Not annualised)	1.82	2.68	2.50	8.26	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

By Order of the Board of Directors



Managing Director

Place : Bangalore

Date : May 20, 2020

Balance sheet as at March 31, 2020

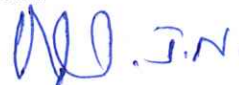
(Rs. In Lakhs)

Particulars	As at 31-March-20 (Audited)	As at 31-March-19 (Audited)
ASSETS		
Non-current assets		
(a) Property, plant and equipment	62.67	74.41
(b) Investment property	293.07	302.40
(c) Right of use assets	14.10	-
(d) Financial assets		
(i) Other financial assets	51.84	49.52
(e) Deferred tax assets (net)	66.87	70.42
(f) Other non-current assets	418.91	432.96
Total non-current assets	907.46	929.71
Current assets		
(a) Inventories	794.48	835.38
(b) Financial assets		
(i) Trade receivables	1,316.47	1,490.73
(ii) Cash and bank balances	2,362.20	2,270.30
(iii) Other financial assets	6.46	3.34
(c) Other current assets	108.05	150.32
Total current assets	4,587.66	4,750.08
Total assets	5,495.12	5,679.79
EQUITY AND LIABILITIES		
Equity		
(a) Equity share capital	460.00	460.00
(b) Other equity	3,557.47	3,410.52
Total equity	4,017.47	3,870.52
Non-current liabilities		
(a) Financial liabilities		
(i) Other financial liabilities	-	-
(b) Provisions	53.19	80.96
Total non-current liabilities	53.19	80.96
Current liabilities		
(a) Financial liabilities		
(i) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	53.33	82.41
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,293.34	1,468.54
(ii) Lease Liabilities	15.65	-
(iii) Other financial liabilities	0.77	80.36
(b) Provisions	3.54	2.56
(c) Current tax liability (Net)	-	41.52
(d) Other current liabilities	57.83	52.92
Total current liabilities	1,424.46	1,728.31
Total liabilities	1,477.65	1,809.27
Total equity and liabilities	5,495.12	5,679.79

By Order of the Board of Directors

Place : Bangalore
Date : May 20, 2020

Managing Director

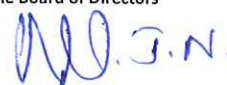


(Rs. In Lakhs)						
Segment wise Revenue, Results and Capital Employed under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015						
Sl. No.	Particulars	3 months ended 31-March-2020	Preceding 3 months ended 31-December-2019	Corresponding 3 months ended 31-March-2019	Year to date for the current year ended 31-March-2020	Year to date for the previous year ended 31-March-2019
		Refer Note 4	(Unaudited)	Refer Note 4	(Audited)	(Audited)
1	Segment Revenue					
	a. Telecommunication	60.57	167.20	318.66	768.07	1,166.67
	b. IT - Networking	1,437.14	2,152.57	1,861.86	7,044.92	7,395.54
	Total	1,497.71	2,319.77	2,180.52	7,812.99	8,562.21
	Less : Inter segment revenue	-	-	-	-	-
	Net sales / income from operations	1,497.71	2,319.77	2,180.52	7,812.99	8,562.21
2	Segment Results (Profit) (+) / Loss (-) before Tax and Interest from each segment					
	a. Telecommunication	3.39	13.98	20.09	42.80	79.65
	b. IT - Networking	74.98	140.41	114.76	354.37	496.03
	Total	78.37	154.39	134.85	397.17	575.68
	Add/(Less) : a. Interest & Rental Income (net)	29.25	27.33	68.11	124.26	292.14
	b. Other un-allocable expenditure net of un-allocable income	-	-	-	-	-
	Total Profit Before Tax	107.62	181.72	202.96	521.43	867.82
3	Segment Assets					
	a. Telecommunication	467.93	467.55	503.25	467.93	503.25
	b. IT - Networking	2,446.00	2,819.72	2,742.97	2,446.00	2,742.97
	c. Unallocable	2,581.20	3,007.24	2,433.57	2,581.20	2,433.57
	Total	5,495.13	6,294.51	5,679.79	5,495.13	5,679.79
4	Segment Liabilities					
	a. Telecommunication	141.95	252.06	221.14	141.95	221.14
	b. IT - Networking	1,299.33	2,001.62	1,400.33	1,299.33	1,400.33
	c. Unallocable	36.37	108.21	187.80	36.37	187.80
	Total	1,477.65	2,361.89	1,809.27	1,477.65	1,809.27

Notes :

- 1 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 modified by Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016.
- 2 The above results were taken on record by the Board of Directors at its meeting held on May 20, 2020.
- 3 Segment Assets & Liabilities - Unallocable amount represents assets/liabilities used interchangeably between segments.
- 4 The figures for the quarters ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures in respect of full financial years ended March 31, 2020 and March 31, 2019 respectively and the unaudited published year to date figures upto December 31, 2019 and December 31, 2018 respectively, being the end of the third quarter of the respective financial year, which were subjected to Limited Review.
- 5 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 standards has been adjusted to retained earnings on the date of initial application and comparative numbers have not been retrospectively adjusted. The application of IND AS 116 did not have a significant impact on the profit and earnings per share for the quarter ended and year ended March 31, 2020
- 6 COVID-19 is the infectious disease caused by the most recently discovered coronavirus, SARS-CoV-2. In March 2020, the WHO declared COVID-19 a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of our employees and ensure business continuity with minimal disruption. The Company has resumed its operations on May 11, 2020 to the extent permitted by the government regulations. The Company has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the Company expects to fully recover, amongst others, the carrying amount of trade receivables and inventories. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions.
- 7 The Board of Directors have recommended a dividend of Rs. 2/- per Share (20% of face value of equity share) for the financial year 2019-20. The payment of dividend is subject to approval of shareholders in the Annual General Meeting of the Company.
- 8 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 : May 20, 2020

Managing Director

INDEPENDENT AUDITOR'S REPORT ON AUDIT OF ANNUAL FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF ADC INDIA COMMUNICATIONS LIMITED

Opinion and Conclusion

We have (a) audited the Financial Results for the year ended March 31, 2020 and (b) reviewed the Financial Results for the quarter ended March 31, 2020 (refer 'Other Matters' section below), which were subject to limited review by us, both included in the accompanying "Statement of Financial Results for the Quarter and Year Ended March 31, 2020" of **ADC INDIA COMMUNICATIONS LIMITED** ("the Company"), ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Annual Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results for the year ended March 31, 2020:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and total comprehensive income and other financial information of the Company for the year then ended.

(b) Conclusion on Unaudited Standalone Financial Results for the quarter ended March 31, 2020

With respect to the Financial Results for the quarter ended March 31, 2020, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Financial Results for the quarter ended March 31, 2020, prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards 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.

Basis for Opinion on the Audited Financial Results for the year ended March 31, 2020

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results for the year ended March 31, 2020 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Deloitte Haskins & Sells

Management's Responsibilities for the Statement

This Statement which includes the Financial Results is the responsibility of the Company's Board of Directors and has been approved by them for the issuance. The Financial Results for the year ended March 31, 2020 has been compiled from the related audited financial statements. This responsibility includes the preparation and presentation of the Financial Results for the quarter and year ended March 31, 2020 that give a true and fair view of the net profit and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are responsible for assessing the Company's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities

(a) Audit of the Financial Results for the year ended March 31, 2020

Our objectives are to obtain reasonable assurance about whether the Financial Results for the year ended March 31, 2020 as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Annual Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.

Deloitte Haskins & Sells

- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Financial Results, including the disclosures, and whether the Annual Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Annual Financial Results of the Company to express an opinion on the Annual Financial Results.

Materiality is the magnitude of misstatements in the Annual Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Annual Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Annual Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

(b) Review of the Financial Results for the quarter ended March 31, 2020

We conducted our review of the Financial Results for the quarter ended March 31, 2020 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 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 SAs specified under section 143(10) of the Act 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.

Other Matters

- As stated in Note 4 of the Statement, the figures for the corresponding quarter ended March 31, 2019 are the balancing figures between the annual audited figures for the year then ended and the year to date figures for the 9 months period ended December 31, 2018. We have not issued a separate limited review report on the results and figures for the quarter ended March 31, 2019. Our report on the Statement is not modified in respect of this matter.

Deloitte Haskins & Sells

- The Statement includes the results for the Quarter ended March 31, 2020 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us. Our report on the Statement is not modified in respect of this matter.

Our report on the Statement is not modified in respect of these matters.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)



Sathya P. Koushik
Partner
Membership No. 206920
(UDIN: 20206920AAAAEA3329)

Place: Bengaluru
Date: May 20, 2020