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ADC India Communications Limited

2021 - 2022
Annual Report

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. S. Devarajan	- Chairman & Independent Director
Mr. J. N. Mylaraiah	- Managing Director
Mrs. Revathy Ashok	- Independent Director
Mr. Ravi Bosco Rebello	- Non-Executive Director
Ms. Vijaya Latha Reddy	- Independent Director
Ms. Yaman Roy	- Non-Executive Director

KEY MANAGEMENT PERSONNEL

Mr. J.N. Mylaraiah	- Managing Director
Mr. Rakesh Bhanushali	- Chief Financial Officer
Mr. R. Ganesh	- Company Secretary

REGISTERED OFFICE AND FACTORY

No.10C, 2nd Phase, 1st Main
Peenya Industrial Area, Bangalore – 560 058
Tel: +91 80 28396102/28396291
Email: support@adckcl.com

STATUTORY AUDITORS

Deloitte Haskins & Sells
Chartered Accountants

SECRETARIAL AUDITORS

M/s. V Sreedharan and Associates
Company Secretaries

INTERNAL AUDITORS

M/s. Gnanoba & Bhat
Chartered Accountants

BANKERS

Bank of America

REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Limited
Selenium Tower B, Plot No. 31 & 32
Financial District, Nanakramguda
Serilingampally Mandal, Hyderabad - 500 032
Ph: 040-67162222, Fax: 040-23001153
Toll Free Number – 1800 309 4001
E-mail: einward.ris@kfintech.com

Board Of Directors



S. Devarajan
Chairman and
Independent Director



J.N. Mylaraiah
Managing Director



Revathy Ashok
Independent Director



Vijaya Latha Reddy
Independent Director



Ravi Bosco Rebello
Non-Executive Director



Yaman Roy
Non-Executive Director

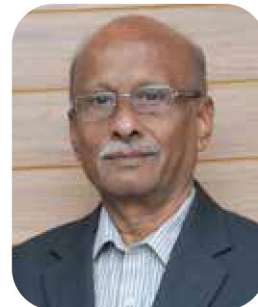
Key Management Personnel



J.N. Mylaraiah
Managing Director



Rakesh Bhanushali
Chief Financial Officer



R. Ganesh
Company Secretary

BOARD'S REPORT

To the Members,

The Board of Directors have pleasure in presenting the 34th Annual Report along with the audited financial statements for the financial year ended March 31, 2022.

FINANCIAL RESULTS

Key highlights of the financial results of your Company prepared as per the Indian Accounting Standards ("Ind AS") for the financial year ended March 31, 2022 are provided below:

(Rs. in lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Revenue from operations	11892.51	5985.96
Other Income	111.72	94.24
Total Revenue	12004.23	6080.20
Profit before depreciation and Tax	1167.66	574.88
Depreciation	30.85	51.20
Profit before Tax	1136.81	523.68
Tax Expense	288.55	161.30
Profit after Tax	848.26	362.38
Other Comprehensive Income	3.53	(0.76)
Total Comprehensive Income	851.79	361.62

FINANCIAL PERFORMANCE

Financial Year 2021-22 was an outstanding year for the company. Your Company did have the fastest growth over the previous financial year. Your Company has been gaining market share in Fiber Optic business, where your Company's capabilities are comprehensive and of immense value for the customers.

Your Company had a successful year in delivering strong operational & financial performance, where the overall revenue from operations increased by 99% over that of previous year. Revenue from the Telecommunication business increased by 18% and the revenue from IT-Networking (Enterprise network) business increased by 108% over that of previous year. For the full year, the Company's profit before tax stood at Rs.1136.81 lakhs compared to

Rs.523.68 lakhs for the previous year. Profit after tax for the financial year was Rs.848.26 lakhs as compared to Rs.362.38 lakhs for the previous year. On an overall basis, improved revenue from operations and profitability, which was largely driven by volume and product mix.

DIVIDEND

Your Directors at their meeting held on May 27, 2022 has recommended payment of final dividend of Rs.4 per equity share of face value of Rs.10 each and one-time special dividend of Rs.10 per equity share of face value of Rs.10 each for the financial year ended March 31,2022 for approval of the Members at the ensuing Annual General Meeting (AGM) of the Company. The dividend, if approved by the Members at the AGM scheduled on July 29, 2022, will result in cash outflow of Rs.644 lakhs.

TRANSFER TO RESERVES

The Company has not transferred any amount to reserves during the year under review.

SHARE CAPITAL

There is no change in the Share Capital structure of the Company during the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan or provided any guarantee or made investment within the meaning of Section 186 of the Companies Act, 2013 during the year under review.

BUSINESS AND OPERATIONS

During the year, your Company emerged strongly after Pandemic tested us severely during the beginning of the financial year. ADC team demonstrated exceptional resilience in dealing with an unprecedented time, where your Company delivered highest revenue & growth.

With full of uncertainties, it is not something that any of us would claim to predict. The lingering impact of Covid in many locations of the world including India, massive supply chain disruptions, rising interest rates accompanied with increase in costs of commodities & volatility is a real confrontation with complexity & challenges in front of your Company. At the same time, tremendous Opportunities lies before your Company with growth in Data Centre business & Broadband

connectivity requirements which gives great optimism about the future that holds for your company.

With this new normal and difficult challenge, your company is constantly determining what the mid to long term implications of the crisis are and how your company should respond strategically. Regardless of all the challenges, your company firmly believe that it will emerge from this, a stronger ADC India Communications than ever before by realigning cost structure and sharpen overall productivity by being a more valuable partner to our clients than ever before. Your company Board and Risk Management Committee has always looked at worst case scenario of times like these & built a portion of the strong financials by making right decision which is sustainable and consistent over years.

The markets your Company serve continue to undergo disruptions after the pandemic, where your Company would see an impact in the Enterprise Network copper business with increase in work from home adoption growing with office space expansion requirements coming down/going slow in short term. However, your Company do see continues growth in Fiber Business over copper due to multifold increase in Bandwidth requirements, with denser wireless & deeper fiber deployments across the upcoming infrastructure projects. Added to this, your Company do see inflationary pressure accelerating with steep increase in prices across commodities and raw materials like copper, stainless steel, plastics and many more items; towards which your company has been adjusting prices consistently across certain products and/or product lines.

While our Country is still far from being out of the medical crisis & its impact on different aspects of business, it is clear to us that the way we behave in a crisis is in many ways more reflective of who we are as a Company. Looking ahead, your Company is optimistic of the opportunities of the work from its clients and the approach your Company has put in place with respect to Data Centre business & Broadband connectivity requirements. The massive investments committed both by Government & Private Players towards infrastructure growth would improve the overall business sentiment and investments in next few Quarters/Years. Market is expected to improve driven by investments in Infrastructure projects, Pharma, Healthcare, Education, Banking & Finance, Defense sector, E-commerce, Manufacturing, Digital India and Smart city initiatives where your Company will be able to

favorably participate in the areas of its strength within each opportunity as the market evolves.

While the demand outlook is strong, your Company remain vigilant in order to be agile and evolve proper approach with the changing dynamics, with continued focus on growing revenues and profitability with new products introduction and by realigning cost structure by looking at ways of cost reduction to be competitive in the marketplace.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), is presented in a separate section, forming part of the Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Ms. Yaman Roy (DIN 07341809), Director retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers herself for re-appointment.

During the year under review, there were no changes in the Key Managerial Personnel of the Company. As on date, Mr.J.N.Mylaraiah, Managing Director, Mr. Rakesh Bhanushali, Chief Financial Officer and Mr. R. Ganesh, Company Secretary are the Key Managerial Personnel of the Company.

INDEPENDENT DIRECTORS

The Independent Directors of the company have submitted declaration to the Company under Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in section 149(6) of the Companies Act, 2013 and Regulation 16 (1) (b) of SEBI Listing Regulations, 2015. Further in terms of the Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstances or situation, which exists or may be reasonable anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Independent Directors have also submitted declaration to the Company confirming compliance of relevant provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014.

In the opinion of the Board, the Independent Directors of the Company are persons of high repute

& integrity and possess the relevant expertise and experience in their respective fields of profession.

BOARD MEETINGS

Six Board meetings were held during the year. The details of the meetings held and attended by each Director during the year are given in the Corporate Governance Report which forms part of this Report.

AUDIT COMMITTEE

The details pertaining to the composition and terms of reference of the Audit Committee are provided in the Corporate Governance Report, which forms part of this Report.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board of Directors.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134 of the Companies Act, 2013, the Board of Directors, based on the information and explanations obtained by them, to the best of their knowledge and belief confirm that:

- a. in the preparation of annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2022, and of the profit and loss of the Company for the period ended on March 31, 2022;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and have been operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS' APPOINTMENT AND REMUNERATION

Considering the requirements of the skill sets on

the Board, persons having professional expertise in their individual capacity as independent professionals and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment of new Directors on the Board. The Non-Executive Independent Directors appointed on the Board are paid sitting fees for attending the Board and Audit Committee Meetings. No other remuneration or commission is paid to the Non-Executive Independent Directors. Non-Executive Non-Independent Directors are neither paid any sitting fees nor paid any commission. The remuneration paid to the Managing Director is governed by the relevant provisions of the Companies Act, 2013, rules of the Company and Members approval. Executive Compensation Policy Guidelines has been placed on the Company's website www.adckcl.com/AboutADC/Policies.

BOARD EVALUATION

The Company's Policy and Process for Board Evaluation lays down a structured questionnaire to be used in the performance evaluation of the Board, its Committees and Individual Directors. This Policy has been displayed on the website of the Company at www.adckcl.com.

Using the structured questionnaire, the Board of Directors has carried out, during the year under review, an annual evaluation of its own performance and that of its various Committees and individual Directors pursuant to the requirements of the Companies Act, 2013 and SEBI Listing Regulations. The Board of Directors have expressed their full satisfaction with the overall functioning of the Board and its various Committees and the members of the Board.

Further, the Independent Directors, at their exclusive meeting held on March 15, 2022 reviewed the performance of the entire Board of Directors and Non-Independent Directors and other items as stipulated under the SEBI Listing Regulations.

CORPORATE GOVERNANCE

Your Company has always practiced sound corporate governance and has complied with the Corporate Governance Requirements under the Companies Act, 2013 and SEBI Listing Regulations.

As required under Regulation 34 (3) read with Schedule V (C) of the SEBI Listing Regulations, a report on Corporate Governance along with a certificate from Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance during the year ended March 31, 2022 are given in a separate section and forms part of the Annual Report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Vigil Mechanism of the Company is governed by "Vigil Mechanism Policy" for Directors, Employees and others who are associated with the Company to report to the Management of the Company instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The Policy provides adequate safeguards against victimization of Director(s) and Employee(s) who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Vigil Mechanism also cover the Whistle Blower Mechanism aspect as stipulated under the Companies Act, 2013 and the SEBI Listing Regulations. The Company affirms that no person has been denied access to the Audit Committee in this respect. The Vigil Mechanism/Whistle Blower policy is available on the Company's website at www.adckcl.com/About ADC/Policies.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards any form of sexual harassment at the workplace and to this end, has adopted a policy on prevention, prohibition and redressal of sexual harassment of women at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Policy) and the Rules framed thereunder. The Company is committed to providing a safe and conducive work environment to all its employees. The Company believes that all individuals have the right to be treated with dignity and strives to create a workplace which is free of gender bias and sexual harassment. An internal committee has also been set up to redress complaints received on sexual harassment. The policy has been displayed in the Company's website at www.adckcl.com/About ADC/Policies.

The Company has not received any complaint of sexual harassment during the year under review.

RISK MANAGEMENT

The Company has formulated a Risk Management Policy to identify, assess and mitigation of various risks to Company's business, which is covered in detail in the Management Discussion and Analysis Report which forms part of this Report.

The Company has constituted a Risk Management Committee. The constitution and terms of reference of this Committee are provided in the Corporate Governance Report. The Risk Management Committee at its meeting held on March 15, 2022 discussed and reviewed various business risks encountered by the

Company and the risk mitigation processes adopted by the Management to address these risks.

RELATED PARTY TRANSACTIONS

In line with the requirements of the Companies Act, 2013 and SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions. The objective is to ensure proper approval, disclosure and reporting of transactions as applicable, between the Company and any of its related parties. The Policy on Related Party Transactions has been displayed in the Company's website at www.adckcl.com/About ADC/Policies.

All the related party transactions entered by the Company during the financial year were at arm's length basis and in the ordinary course of the Company's business and adheres to the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations.

A statement of all related party transactions is placed before the Audit Committee on a quarterly basis, specifying the nature and value of the transactions, for review and approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are foreseeable and of a repetitive nature. There were no related party transactions made by the Company during the financial year having potential conflict with the interest of the Company at large.

Transactions with related parties, as per the requirement of Indian Accounting Standard 24 are disclosed in the notes to the financial statements. In accordance with Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, particulars of the material related party transactions entered by the Company during the financial year ended March 31, 2022 in the prescribed Form AOC-2 is annexed to this report as Annexure A.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

Your Directors to the best of their ability have laid down internal financial controls to be followed by the Company, which they believe are adequate keeping in view the size and nature of Company's business. Adequate financial procedures are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. This ensures the quality and reliability of financial data, financial statements and financial reporting.

Your Company's internal financial controls are deployed through an internally evolved framework that address material risks in your Company's operations and financial reporting objectives, through a combination

of entity level controls and process controls (both manual and automated), information technology-based controls, period end financial reporting and closing controls and through internal audit. The Audit Committee of the Board reviews the adequacy of internal financial controls on an ongoing basis to identify opportunities for improvement in the existing systems to further strengthen the internal control environment in your Company.

STATUTORY AUDITORS AND AUDITORS' REPORT

M/s. Deloitte Haskins & Sells, Chartered Accountants (Firms Registration No. 008072S) were appointed as the Statutory Auditors of the Company for a period of three years commencing from the conclusion of the 31st Annual General Meeting until the conclusion of the 34th Annual General Meeting. Accordingly, M/s. Deloitte Haskins & Sells will be completing their present term of three years at the conclusion of the ensuing Annual General Meeting. With this M/s. Deloitte Haskins & Sells will also complete the period of ten years as permitted under Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and shall retire as the Statutory Auditors of the Company at the conclusion of the ensuing Annual General Meeting.

The Board of Directors of the Company at their meeting held on May 27, 2022 on the recommendation of the Audit Committee and subject to approval of the Members of the Company at the ensuing Annual General Meeting, have recommended the appointment of M/s. SRBC & CO LLP, Chartered Accountants (Firms Registration No. 324982E/E300003), as the Statutory Auditors of the Company, for a period of five years from the conclusion of the 34th Annual General Meeting till the conclusion of 39th Annual General Meeting.

M/s. SRBC & CO LLP is a part of S.R.Batliloi & Associates network of audit firms, which are primarily engaged in providing audit and related assurance services to its clients.

The Company has received written consent from M/s. SRBC & CO LLP to the said appointment and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder. Further, they have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under the SEBI Listing Regulations.

The Auditors have issued an unmodified opinion on

the Financial Statements for the financial year ended March 31, 2022. The Auditors' Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

The Board had appointed M/s.V.Sreedharan and Associates, Company Secretaries, to carry out the Secretarial Audit under the provisions of section 204 of the Company's Act, 2013 for the financial year ended March 31, 2022. The Report given by the Secretarial Auditors is annexed to this Report as Annexure B. The secretarial Audit Report does not contain any qualification, reservation or adverse remark.

REPORTING OF FRAUD

There was no instance of fraud during the year under review, which required the Statutory Auditors to report under section 143(12) of the Companies Act, 2013.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable secretarial standards issued by the Institute of Company Secretaries of India.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has formulated a Policy on Corporate Social Responsibility and has constituted a CSR Committee as required under the Companies Act, 2013 for implementing various CSR activities. Details on Composition of the CSR Committee and Terms of Reference are provided in Corporate Governance Report.

In terms of the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has during the year under review spent an amount of Rs.13 lakhs on CSR activities, which is 2% of the average net profits of your Company during the three preceding financial years. The Company's focus on CSR activities is pre-dominantly in the areas of Education and health.

The Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility) Rules, 2014 is annexed to this Report as Annexure C.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

A. Conservation of Energy

During the year, your company continued its focus on various energy conservation measures. Metal allied lamps at warehouse were replaced

with LED lights to reduce power consumption, resulting in saving of 439 Kwh per month.

B. Development

During the year, the following developmental activities were carried out by the Company:

- New Design of Fiber Cable Construction to meet upcoming customer requirement for different applications.
- Introduced new Copper Panels for both shielded and unshielded solutions.
- Data Storage was moved to Cloud Base from the current practice of manual back up for data security and quick recovery of data.
- IT infrastructure strengthened against ransomwares and loss of data.

MANAGERIAL REMUNERATION AND RELATED DISCLOSURES

The details of the remuneration paid to the Directors of the Company is mentioned in the Corporate Governance Report. The disclosure pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as Annexure D.

PARTICULARS OF EMPLOYEES

The information on employee particulars as required under section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. However, in terms of Section 136 of the Companies Act, 2013, the Annual Report and Financial Statements are being sent to the Members of the Company and others entitled thereto, excluding the aforesaid information. The said information is available for inspection by the Members of the Company at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the address of the Registered Office of the Company.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the provisions of Section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended,

(“IEPF Rules”), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred by the Company to the Investor Education and Protection Fund (“IEPF”) established by the Central Government. The Company had, accordingly, transferred an amount of Rs. 150,378/-, being the unpaid and unclaimed dividend amount pertaining to the financial year ended March 31, 2014, during the financial year 2021-22, to the Investor Education and Protection Fund.

Pursuant to the provisions of the IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years is required to be transferred to the designated Demat Account of the IEPF Authority after complying with the procedure laid down under the IEPF Rules. The Company, in compliance with the IEPF Rules, has transferred 1406 equity shares belonging to 13 shareholders underlying the unclaimed dividends to the Demat Account of the IEPF Authority.

FOREIGN EXCHANGE EARNINGS AND OUTFLOW

During the year under review, your Company has earned Foreign Exchange of Rs.100.05 lakhs and the Foreign Exchange outflow was Nil.

ANNUAL RETURN

The Annual Return as required under Section 92 and section 134 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at www.adckcl.com/investor-relations/Annual-Reports.

MATERIAL CHANGES AND COMMITMENTS BETWEEN END OF FINANCIAL YEAR AND DATE OF THE REPORT

There were no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of financial year to which the financial statements relate and the date of this Report.

WEBSITE OF THE COMPANY

The Company maintains a website www.adckcl.com where information related to the Company are provided.

DEPOSITS

During the year under review, the Company has not accepted any deposit covered under Chapter V of the Companies Act, 2013 and as such, no amount on account of principal or interest on deposits was outstanding as on the date of the Balance Sheet.

COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable to the business activities carried out by the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations.

INSOLVENCY AND BANKRUPTCY CODE, 2016

During the financial year, neither any application has been made nor any proceedings were initiated against the Company under the Insolvency and Bankruptcy Code, 2016.

SETTLEMENT WITH BANKS OR FINANCIAL INSTITUTION

During the financial year, there was no instance of one-time settlement with any bank or financial institution.

OTHER DISCLOSURES

No disclosure or reporting is made with respect to the following items, as there were no transactions during the financial year:

- a. Issue of equity shares with differential voting rights as to dividend, voting or otherwise.
- b. Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- c. Raising of funds through preferential allotment or qualified institutions placement.

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation to every employee of the Company for their hard work, dedication and commitment during the year. Your Directors also thank the customers, channel partners, distributors, vendors and bankers for their support and co-operation during the year. Your Directors would also like to acknowledge the valuable support of the Promoters of the Company during the year.

For and on behalf of the Board of Directors

S.Devarajan
Chairman

J.N.Mylaraiah
Managing Director

Place: Bangalore
Date: May 27, 2022

ANNEXURE A TO THE BOARD'S REPORT

**PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH RELATED PARTIES
FORM NO. AOC-2**

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contract or arrangement or transactions with its related parties which is not at arm's length during the financial year 2021-22.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Details of material contracts or arrangements or transactions with related parties at arm's length basis during the financial year 2021-22 are as given below:

Name of the Related Party and Nature of Relationship	CommScope India Private Limited - Fellow Subsidiary
Name of Contracts / arrangements / transactions	Purchase of Goods
Duration of Contracts / arrangements / transactions	Ongoing Contracts / arrangements / transactions
Salient terms of the contracts or arrangements or transactions including the value, if any	These transactions are in the ordinary course of business and are conducted on an arm's length basis. Amount Rs.4932.97 lakhs
Date(s) of approval by the Board, if any	Not applicable since the transaction is in the ordinary course of business and at arm's length
Amount paid as advances, if any	Nil

For and on behalf of the Board of Directors

S.Devarajan
Chairman

J.N.Mylaraiah
Managing Director

Place: Bangalore
Date: May 27, 2022

ANNEXURE B TO THE BOARD'S REPORT

Form No. MR-3 SECRETARIAL AUDIT REPORT

[Pursuant to Sub Section (1) of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED: MARCH 31, 2022

To

The Members

**ADC INDIA COMMUNICATIONS LIMITED
No. 10C, 2nd Phase, 1st Main
Peenya Industrial Area
Bengaluru - 560058**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ADC INDIA COMMUNICATIONS LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2022 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. The Company has not made any Overseas Direct Investment and has no External Commercial Borrowings during the period under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of

India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period);**
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period);**
 - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Audit Period);**
 - g. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable to the Company during the Audit Period);**
 - h. The securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period);** and
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other Laws Applicable Specifically to the Company namely:
- a. Factories Act, 1948 & the Central Rules or concerned State Rules, made thereunder.
 - b. Boilers Act, 1923 & Rules made thereunder.
 - c. Environment (Protection) Act, 1986.
 - d. The Water (Prevention and Control of Pollution) Act, 1974 & Central Rules/ concerned State Rules.
 - e. The Air (Prevention and Control of Pollution) Act, 1981 & Central Rules/ concerned State Rules.

- f) Hazardous Wastes (Management and Handling) Rules, 1989.
- g) The Contract Labour (Regulation and Abolition) Act, 1970 & its Central Rules/ concerned State Rules.
- h) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & EPF, FPF Schemes.
- i) The Employees' State Insurance Act, 1948 & its Central Rules / concerned State Rules.
- j) The Minimum Wages Act, 1948 & its Central Rules/ concerned State Rules/ Notification of Minimum Wages applicable to various class of industries/ Trade.
- k) The Payment of Wages Act, 1936 & its Central Rules/ concerned State Rules if any.
- l) The Payment of Bonus Act, 1965 & its Central Rules/ concerned State Rules if any.
- m) The Payment of Gratuity Act & its Central Rules/ concerned State Rules if any.
- n) The Maternity Benefit Act, 1961 & its Rules.
- o) The Equal Remuneration Act, 1976.
- p) The Industrial Employment (Standing Orders) Act, 1946 & its Rules.
- q) The Apprentices Act, 1961 & its Rules.
- r) The Employment Exchange (Compulsory Notification of Vacancies) Act, 1959.
- s) The Workmen's Compensation Act, 1923.
- t) The Industrial Dispute Act, 1947.
- u) The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined the compliance with the applicable clauses of the following:

- a. Secretarial Standards issued by the Institute of Company Secretaries of India on Meetings of the Board of Directors and General Meeting.
- b. Listing Agreements entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have not examined compliance with applicable Financial Laws like Direct and Indirect Tax Laws since the same have been subject to review by

statutory financial audit and other designated professionals.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, including agenda and detailed notes on agenda were sent at least seven days in advance except with respect to those agenda items which the Company deemed to be unpublished price sensitive information (UPSI), and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and approved by all the members of the Board and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

We further report that based on the review of the compliance mechanism adopted by the Company for providing adequate presentations by the concerned departments' heads at the Board Meetings, regarding compliance with the applicable laws and its adherence, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there was no event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.,

For V SREEDHARAN & ASSOCIATES

(Devika Sathyanarayana)

Partner

FCS:11323; CP No.17024

UDIN number F011323D000374719

Peer Review Certificate No. 589/2019

Place: Bengaluru

Date: May 24, 2022

This letter which is annexed herewith as Annexure 1 forms an integral part of the Secretarial Audit Report MR-3 and has to be read along with it.

Annexure 1

To

The Members
ADC INDIA COMMUNICATIONS LIMITED
No. 10C, 2nd Phase, 1st Main
Peenya Industrial Area
Bengaluru - 560058

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. Due to the pandemic situation, we were not able to visit the office in person to peruse the original documents etc. that were required for our audit purpose. However, we have relied on the soft copy of the documents and the links provided by the Company.

For V SREEDHARAN & ASSOCIATES

(Devika Sathyanarayana)

Partner

FCS: 11323; CP No.17024

UDIN: F011323D000374719

Peer Review Certificate No. 589/2019

Place: Bengaluru

Date : May 24, 2022

ANNEXURE C TO THE BOARD'S REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief outline of the Company's CSR Policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.	<p>The Company's CSR Policy is placed on Company's website www.adckcl.com. The focus areas for the CSR programs/projects to be undertaken by the Company under this policy shall be in the following areas:</p> <ul style="list-style-type: none"> i. Environment: To undertake activities in relation to increasing accountability through investments in energy and the environment, ensuring environmental sustainability, ecological balance, conservation of natural resources etc. ii. Health and Wellness: To promote healthcare including preventive health care and sanitation and to undertake other activities in relation to health and wellness. iii. Education: Fostering innovation through investment in education, vocation skills among children, women and elderly persons emphasizing on science, technology, engineering and mathematics. iv. Technology: To contribute to technology incubators located within academic institutions approved by the Central Government. v. Disaster Relief: To contribute to disaster relief efforts in compliance with legal guidelines.
2	Composition of CSR Committee	<ul style="list-style-type: none"> 1. Ms. Revathy Ashok – Chairman 2. Mr. S. Devarajan – Member 3. Mr. J.N. Mylariaiah – Member 4. Ms. Vijaya Latha Reddy – Member
3	Average net profit of the Company for last three financial years (Amount in Lakhs).	Rs. 634.89
4	Prescribed CSR Expenditure (two percent of the amounts as in item 3 above) (Amount in Lakhs).	Rs. 12.70
5	<p>Details of CSR spent during the financial year:</p> <p>(a) Total amount to be spent for the financial year; (Amount in Lakhs)</p> <p>(b) Amount unspent, if any; (Amount in Lakhs)</p> <p>(c) Manner in which the amount spent during the financial year.</p>	<p>Rs. 13.00</p> <p>Nil</p>

(Rs. Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the project is covered	Projects or Programs 1. Local area or other 2. Specify the state and district where Projects or Programs was undertaken	Amount outlay (budget) Projects or Programs-wise	Amount spent on the Projects or Programs Subheads: 1. Direct expenditure on Projects or Programs 2. Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
I	Solar powered digital education kits to rural schools	Education	1. Local Area 2. Karnataka, Bangalore	Rs.5.00	Rs.5.00	Rs.5.00	Through implementing agency - Selco Foundation
II	“Project Hope”- provision of Bone Marrow Biopsy/ Aspiration Needles for children from economically weaker sections suffering from Leukaemia	Health & Wellness	1. Local Area 2. Karnataka, Bangalore	Rs.6.00	Rs.6.00	Rs.6.00	Through implementing agency - Bangalore Cantonment Rotary Trust
III	Palliative care for advanced stage cancer patients (Karunashraya)	Health & Wellness	1. Local Area 2. Karnataka, Bangalore	Rs.2.00	Rs.2.00	Rs.2.00	Through implementing agency - Bangalore Hospice Trust
6	In case the Company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.				Not Applicable		

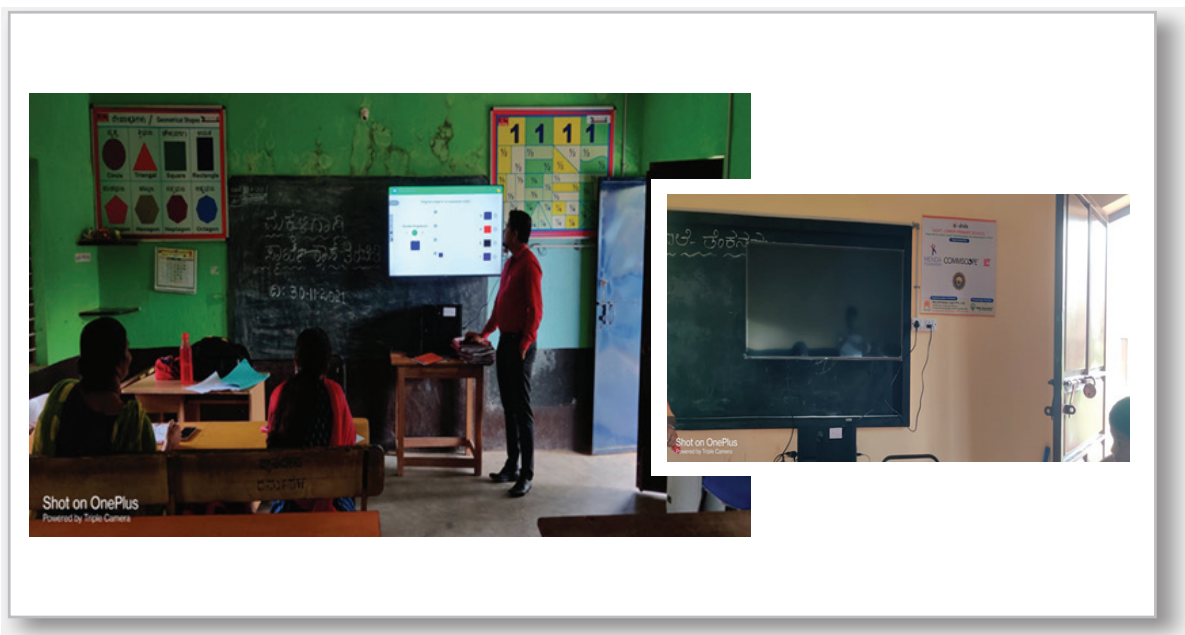
The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Revathy Ashok
Chairman - CSR Committee

J.N.Mylaraiah
Managing Director

Bangalore
May 27, 2022

CSR ACTIVITIES



ANNEXURE D TO THE BOARD'S REPORT

STATEMENT OF DISCLOSURE OF REMUNERATION

[Pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

i) The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	Mr. J.N.Mylaraiah, Managing Director	5.78:1
ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	Mr. J.N.Mylaraiah, Managing Director	Nil
	Mr. Rakesh Bhanushali, Chief Financial Officer	Nil
	Mr. R.Ganesh Company Secretary	5%
iii) The percentage increase in the median remuneration of employees in the financial year.		7.69%
iv) The number of permanent employees on the rolls of the company.		22
v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year was 7.69% as compared to Nil increase in the managerial remuneration.	

The Board of Directors of the Company hereby affirms that the remuneration paid during the year is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

S.Devarajan
Chairman

J.N.Mylaraiah
Managing Director

Bangalore
May 27, 2022

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Telecommunication

Currently, India is the world's second-largest telecommunications market and has registered strong growth in the past decade and half. As per the latest report, India continued to be the second largest country in terms of internet subscribers, which holds the world's highest data usage per smartphone, with the availability of affordable smart phones and lower rates of data is expected to drive the growth.

Indian Mobile Industry is expected to create a higher economic value with increase in growth drivers such as Production Linked Incentive schemes for manufacturing of telecom and networking products, growing demand with increasing internet users, make in India policy for Phased Manufacturing Program (PMP) to promote domestic production of mobile handsets and the basic foundation where Optical fiber cables laid over 100,000 gram panchayats.

In the years to come, rise in mobile-phone penetration and decline in data costs is expected to add 500 million new internet users in India, creating opportunities for new businesses; especially with Indian Government's ongoing smart city projects, and Internet of everything will play a vital role in developing these cities. Consumers continue to display appetite for mobile data with data-heavy applications in their daily lives and your Company expects this trend to continue. With 5G round the corner where India is expected to be the second largest market for 5G Services in next 5 years assures greater opportunities in this new world, where the future of Telecom industry in India is said to have several opportunities towards creating new revenue streams in the next decade by offering several benefits to consumers.

As mobile network operators spread the reach and look forward to introducing new and faster technologies with extensive deployment of optical fiber in the existing network as well as for residences in coming years to support new broadband services to meet the upcoming bandwidth requirements. Under the Digital India initiative, the Government is aiming to supply internet access throughout the country, connecting rural citizens to bridge the digital gap between cities and villages through fiber optics network, which plays an important and critical role in realizing the dream of

Digital India program under which all the sectors such as healthcare, retail, etc will be connected through internet. Mobile devices continue to be embedded in the fabric of society today and are key in driving the momentum such as video streaming, Internet of Things (IoT), and mobile payments.

In these unprecedented times, the strength and reliability of telecom networks are critically important in keeping people connected while they are physically apart. Connectivity is a lifeline for our first responders and healthcare professionals, our educators, and our Governments, being at the epicenter of growth & innovation. With the developments in services such as security and surveillance, Internet of Things, Home automation, traffic management, retail, logistics and grid energy could eventually facilitate optimization of resources, which indicates a better future performance for the operators and there is likelihood of a higher capex. At the moment India's Telecom sector is under pressure on cash flows as competition remain intense with larger operators contesting to acquire subscribers of the exiting Telco's. However, on a longer term, recovery expected in the sector on the back of a consolidated structure, better pricing power and data usage.

Enterprise

As the traditional office space connectivity being reduced with number of cabling ports per desk and in turn increased number of ports with Digital Ceiling concept of connecting every IP device across the building where wireless and Building IoT devices are adding more connections like never before, with more and more connectivity requirements everywhere in building, campus, venues and Homes.

Whereas in Data Centre portion, your Company do see change in landscape of traditional Enterprise Data Centre moving to Multi-Tenant Data Centre's or colocation DC which provides space and networking equipment to connect an organization to service providers at a minimal cost by offering high scalability, flexibility, modularity with stringent service level agreements which is need of the hour.

With Economic activities on upward despite lingering impact of Covid with growth coming from many sectors across the industry, where Government Sector fared better with Infrastructure projects investment & the Office Network especially from IT

Consultancy & software industry got affected more and whereas on the other hand Data Centre segment performed better. With all the technology changes, your company would see an impact in the copper business as we continue to see work from home adoption growing with office expansion going slow. However, Your Company do see continues growth in Fiber Business over copper due to multifold increase in Bandwidth requirements, with denser wireless & deeper fiber deployments across infrastructure projects including Data Centre expansions where the Data Centre market has been having growth faster than expected & stood as a bright spot in an otherwise gloomy year with pandemic. Data Centre projects in India has been mainly from the Colocation service providers.

Added to this, your Company do see inflationary pressure accelerating with steep increase in prices across commodities and raw materials like copper, stainless steel, plastics and many more items; towards which your company has been adjusting prices consistently across certain products and/or product lines.

While our Country is still far from being out of the medical crisis & its impact on different aspects of business, it is clear to us that the way we behave in a crisis is in many ways more reflective of who we are as a Company. Looking ahead, your Company is optimistic of the opportunities of the work from its clients and the approach your Company have put in place with respect to Data Centre business & Broad band connectivity requirements. With massive investments committed both by Government & Private Players towards infrastructure growth would improve the overall business sentiment and investments in next few Quarters. Market are expected to improve driven by investments in Infrastructure projects, Pharma, Healthcare, Education, Banking & Finance, Defense sector, E-commerce, Manufacturing, Digital India and Smart city initiatives where your Company will be able to favorably participate in the areas of its strength within each opportunity as the market evolves.

REVIEW OF OPERATING PERFORMANCE

The financial statements have been prepared in compliance with the requirement of the Companies Act, 2013 and Generally Accepted Accounting Principles (GAAP) in India. The management of the Company accepts responsibility for the integrity and objectivity of these financial statements and the

basis for the various estimates and judgments used in preparing the financial statements. Some of the key performance indicators are given below:

(Rs. in Lakhs)

Particulars	Year ended 31st March 2022	Year ended 31st March 2021
Revenue from operations	11892.51	5985.96
Operating Costs	10835.14	5502.21
Profit before Interest, Depreciation and Tax (EBIDT)	1057.37	483.75
Depreciation	30.85	51.20
Profit before Interest and Tax (EBIT)	1026.52	432.55
Other Income (net of finance cost)	110.29	91.13
Profit before Tax (PBT)	1136.81	523.68
Tax Expense	288.55	161.30
Profit for the year	848.26	362.38
Other Comprehensive Income	3.53	(0.76)
Total Comprehensive Income for the year	851.79	361.62
Total Assets	7564.72	6528.72
Earnings per share (Basic EPS in Rupees)	18.44	7.87

Your Company had a successful year in delivering strong operational & financial performance, where the overall revenue from operations increased by 99% over that of previous year. Revenue from the Telecommunication business increased by 18% and the revenue from IT-Networking (Enterprise network) business increased by 108% over that of previous year. For the full year, the Company's profit before tax stood at Rs.1136.81 lakhs compared to Rs.523.68 lakhs. Profit after tax for the financial year was Rs.848.26 lakhs as compared to Rs.362.38 lakhs for the previous year. On an overall basis, improved revenue from operations and profitability, which was largely driven by volume and product mix.

KEY FINANCIAL RATIOS & RETURN ON NETWORTH

As per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the key financial ratios are given below:

Ratios	Year ended 31st March 2022	Year ended 31st March 2021	Change	Percentage Change (%)
Debtors Turnover Ratio (Days)	6.26	3.86	2.40	62.18
Inventory Turnover Ratio (Days)	8.46	4.82	3.64	75.36
Current Ratio (Times)	2.72	2.61	0.11	4.29
Operating Profit Margin (%)	9.57	8.80	0.77	8.76
Net Profit Margin (%)	7.13	6.05	1.08	17.82
Return on Net worth (%)	22.66	12.29	10.37	84.38

Explanation for significant change (i.e., 25% or more over previous year) in Key Financial Ratios

Debtors Turnover Ratio (Net Credit Sales Average Account Receivable)

The debtors turnover ratio in the previous year was lower mainly on account of the impact of Covid-19 related lockdowns and resultant sluggish economic conditions.

Inventory Turnover Ratio (Cost of Goods Sold/ Average Inventory)

The inventory turnover ratio in the previous year was lower mainly on account of the impact of Covid-19 related lockdowns and resultant sluggish economic conditions.

Return on Net Worth (Profit After Tax/Net Worth)

The performance of the Company had been impacted in the previous year on account of Covid-19. The management had put in place various measures to improve performance leading to improved Return on Net Worth in the current year.

OPPORTUNITIES

Telecommunication

Industry firmly believes that a robust telecommunications infrastructure with higher speeds is need of the hour for country's economic progress. Hence, establishing a strong wireless technology ecosystem will become the basic need and enabler to government's vision of Digital India. Transforming India into a knowledge economy requires new infrastructure development to enable pan-India connectivity connecting rural citizens to bridge the digital gap between cities and villages through fiber optics network, which plays a critical role in realizing the dream of Digital India.

Indian Mobile Industry is expected to create a higher economic value with increase in growth drivers such as Production Linked Incentive schemes for manufacturing of telecom and networking products, growing demand with increasing internet users, make in India policy for Phased Manufacturing Program (PMP) to promote domestic production of mobile handsets and the basic foundation where Optical fiber cables laid over 100,000 gram panchayats.

Rise in mobile-phone penetration is expected create opportunities for new businesses; especially where Internet of everything will play a vital role in developing the smart cities. With Consumers continue to display appetite for mobile data with data-heavy applications in their daily lives and your Company expect this trend to continue. With 5G round the corner where India is expected to be the second largest market for 5G Services in next 5 years assures greater opportunities in this new world where the future of Telecom industry in India is said to have several opportunities towards creating new revenue streams in the next decade by offering several benefits to consumers. Carriers will continue to focus on providing data and voice services that are high quality, reliable, and affordable to drive the industry pace and growth, which will create more and more localized /Edge based Content delivery networks to support faster response, reduce on latency, quick access to data due with localized cache.

Enterprise

Growth in Data Centre business & broadband connectivity requirements with massive investments committed both by Government & Private Players towards Infrastructure growth would improve the overall business sentiment and investments in next few Years. Market is expected to improve driven by investments in Infrastructure projects, Pharma,

Healthcare, Education, Banking & Finance, Defense sector, E-commerce, Manufacturing, Digital India and Smart city initiatives where your Company will be able to favorably participate in the areas of its strength within each opportunity as the market activities picks up.

With Cloud Computing Aiding Businesses (Large and SMB's) either creating on private cloud infrastructure by way of consolidation and migration of existing compute, storage and networks. In addition, businesses are parallelly looking to subscribe for public or private hosting services. With this, the Multi-Tenant Data Centre or Colo players in India are offering enterprises choice of better and on demand infrastructure, reliability in terms of power and availability of network and faster time to market. The Data Centre market has been having growth faster than expected & stood as a bright spot in an otherwise gloomy year with pandemic. Data Centre projects in India has been mainly from the Colocation service providers.

RISKS AND CONCERNS

With full of uncertainties, it is not something that any of us would claim to predict. The lingering impact of Covid in many locations of the world including India, massive supply chain disruptions, rising interest rates & accompanied with increase in costs of commodities & volatility is a real confrontation with complexity & challenges in front of the Company. At the same time, tremendous Opportunities lies before your Company with growth in Data Centre business & Broad band connectivity requirements which gives your Company great optimism about the future that holds for your company.

The markets your Company serve continue to undergo disruptions after the pandemic, where your Company would see an impact in the Enterprise Network copper business, where your Company continue to see increase in work from home adoption growing with office space expansion requirements coming down and going slow in short term. However, your Company do see continues growth in Fiber Business over copper due to multifold increase in Bandwidth requirements, with denser wireless & deeper fiber deployments across the upcoming infrastructure projects. Added to this, your Company do see inflationary pressure accelerating with steep increase in prices across commodities and raw materials like copper, stainless steel, plastics and many more items; towards which your company has been adjusting prices consistently across certain products and/or product lines.

With this new normal and difficult challenge, your company is constantly determining what the mid to long term implications of the crisis are and how your

company should respond strategically. Regardless of all the challenges, your company firmly believe that it will emerge from this, a stronger ADC India Communications than ever before by realigning cost structure and sharpen overall productivity by being a more valuable partner to our clients than ever before. Your company Board and Risk Management Committee has always looked at worst case scenario of times like these & built a portion of the strong financials by making right decision which is sustainable and consistent over years

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate internal control systems for various business processes, financial reporting and compliance with applicable laws and regulations. The Internal Auditors M/s Gnanoba & Bhat, Chartered Accountants review the effectiveness of various processes and other operational activities. The summary of the Internal Audit observations is presented to the Audit Committee and the suggestions and guidance of the audit committee are implemented to ensure effective operation of all departments in the company.

MANUFACTURING OPERATIONS

Your Company continued to look at ways of cost reduction and be cost competitive in this highly volatile & dynamic market, which has yielded better results as expected and expect to continue the same in the years to follow, which will help the Company to favorably participate as the market activities picks up.

Keeping in mind the welfare of the employee's safety first at work, various Covid-19 Pandemic measures including an Emergency Response Plan has been implemented in the factory.

During the year, major focus has been on development of new design of Fiber Cable construction to meet upcoming customer requirement for different applications and introduced new Copper Panels, the assembly of which was commenced internally during the year.

With high importance of Data Security in today's digital economy as businesses advance to grow, your Company decided to move the Data storage to Cloud Based from the current practice of manual back up of Data to avoid any risk. With this the IT infrastructure was also strengthened against ransomwares and loss of data.

HUMAN RESOURCES

As on March 31, 2022, the company had 22 permanent employees on the rolls of the company.

During the financial year under review, trainings were held for the employees on Ethics & Compliance, Office Etiquette-Self & Customers (internal & external) and Interpersonal to create happy and satisfied workplace including handling difficult conversion. The Employee Engagement Committee comprising representatives from the Workmen and the Management conducted several employee related activities during the year. The Company continued to follow various Covid-19 pandemic related measures such as temperature screening and monitoring Oxygen level of employees & visitors daily basis, disinfecting the plant location on weekly basis etc. to ensure safety and welfare of the employees of the Company. All employees and their family members were vaccinated with two doses of

Covid Vaccine. The industrial relation throughout the year was harmonious and cordial.

Cautionary Statement:

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations and which the management believes are true to the best of its knowledge at the time of preparation. Actual results might differ materially from those either expressed or implied and hence the Company and the management shall not be held liable for any loss, which may arise because of any action taken based on the information contained herein.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company is committed to a system of good corporate governance, as it firmly believes that good corporate governance signifies good corporate practices aimed at increasing value for its shareholders, customers, employees, the government and all other stakeholders. Corporate governance of the company accords high importance for compliance with laws, rules and regulations at all times. The Company's internal control measures ensure the reliability of financial statements. The company is in full compliance with the applicable requirements under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations").

2. BOARD OF DIRECTORS

(A) Composition of Board

The Company has a very balanced and diverse Board of Directors. As on March 31, 2022, the Board of Directors consisted of six Directors comprising one Managing Director, three Non-Executive Independent Directors and two Non-Executive Non-Independent Director. Two of the Non-Executive Independent Directors and one of the Non-Executive Non-Independent Directors are Woman Directors. The composition of the Board is in conformity with the requirement of Regulation 17 of the SEBI Listing Regulations. The Chairman of the Board is a Non-Executive Independent Director. There is no relationship between the Directors inter-se.

All Directors possess relevant skills and experience to bring judgment to bear on the business of the Company. The profile of the Directors is available on the website of the Company at www.adckcl.com.

The maximum tenure of the Independent Directors is in compliance with the provisions of the

Companies Act, 2013 ("the Act") and the SEBI Listing Regulations. The terms and conditions of appointment of Independent Directors are disclosed in the Company's website at www.adckcl.com.

The Independent Directors of the Company have confirmed that they meet the criteria of independence as provided in section 149(6) of the Act and Regulation 16 (1) (b) of the SEBI Listing Regulations. Based on the declarations and confirmation received from the Independent Directors, the Board of Directors is of the opinion that the Independent Directors fulfill the criteria of independence as defined under section 149 of the Act and Regulation 16(1) (b) of SEBI Listing Regulations and that they are independent of the management of the Company.

None of the Non-Executive Directors of the Company held any equity shares(s) or convertible instrument(s) of the Company during the financial year ended March 31, 2022.

(B) Board Meetings

Six Board meetings were held during the year 2021-22 on May 24, 2021; July 23, 2021; August 10, 2021; November 12, 2021; February 04, 2022 and March 15, 2022. The maximum gap between any two Board Meetings was less than one hundred and twenty days.

(C) Names and Category of Directors/ Attendance at Meetings/ Directorships and Committee Memberships in other Public Limited Companies

The names and category of the Directors on the Board, their attendance at the Board Meetings held during the year under review and at the last Annual General Meeting and the number of the Directorship and Committee Membership / Chairmanship held by them in other Public Limited Companies as on March 31, 2022 are given below:

Name of the Director	Category	Month & Year of Appointment	No. of Board Meetings which Director was entitled to Attend	*No. of Board Meetings Attended	Number of Directorship held in other Public Companies	#Number of Memberships in Board Committees of other Public Companies	#Number of Chairmanship in Board Committees of other Public Companies	Whether attended last AGM
S. Devarajan	Chairman and Independent Director	February 2013	6	6	3	3	Nil	Yes
J.N. Mylraiah	Managing Director	September 2013	6	6	Nil	Nil	Nil	Yes
Revathy Ashok	Independent Director	August 2011	6	6	9	6	3	Yes
Ravi Bosco Rebello	Non-Executive Director	August 2017	6	5	Nil	Nil	Nil	Yes
Vijaya Latha Reddy	Independent Director	September 2020	6	6	Nil	Nil	Nil	Yes
Yaman Roy	Non-Executive Director	September 2020	6	6	Nil	Nil	Nil	Yes

* Directors attended all meetings through Video Conferencing/Other Audio-Visual Means.

Includes only Membership and Chairmanship of Audit Committee and Stakeholders Relationship Committee held in all Public Limited Companies.

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Details of Directorship of Directors in other Listed Entities included in the above table are as under:

Name of Director	Name of Listed Entity	Category of Directorship
S. Devarajan	Prime Focus Limited	Non-Executive Independent Director
J.N.Mylaraiah	Nil	Nil
Revathy Ashok	Welspun Corp Limited Quess Corp Limited AstraZeneca Pharma India Limited Sansera Engineering Limited Barbeque-Nation Hospitality Limited	Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director Non-Executive Independent Director
Ravi Bosco Rebello	Nil	Nil
Vijaya Latha Reddy	Nil	Nil
Yaman Roy	Nil	Nil

None of the Directors is a director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 listed companies. Further, none of the Directors is a member of more than 10 Committees and Chairman of more than 5 Committees across all Public Limited Companies in which he/she is a director.

3. KEY SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD

The table below summarizes the core skills, expertise and competencies identified by the Board of Directors in the context of Company's business for the Board to function effectively.

Area of Skills, Expertise and Competencies	Description
Industry Knowledge	Full knowledge and understanding of the industries and sectors in which the company operates.
Business Acumen	Clear understanding of the business of the company, understand market trends and provide advice on strategy. Ability to identify key issues and opportunities for the Company within the Telecommunication industry and Enterprise business and develop appropriate strategy to address these issues and opportunities.
Finance	Qualifications and experience in accounting and/or finance and the ability to understand and analyze key financial statements & financial reports, critically assess financial viability and performance, contribute to strategic financial planning and ability to review and analyze budgets with strategic goals and priorities.
Strategic thinking & planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's relevant policies and priorities.
Sales and Marketing	Sales and Marketing Experience to facilitate the organization growth in the right direction and contributing the expertise in developing strategies to grow sales and market share within the Telecommunication Industry and Enterprise Business.
Risk Management	Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance, monitor risks and effectively address these risks.
HR & Talent Management	Qualification and experience in human resource management including workforce planning and employee & industrial relations.

Corporate Governance	Knowledge of good Corporate practices. Knowledge of laws, rules and regulations applicable to the company and its compliance.
Information Technology	Knowledge and experience in the strategic use of information technology within the organization and knowledge of applications such as POE, 5G, IOT, Artificial Intelligence, Block Chain, AR/VR etc. to strategize the Company's future.

The table below highlights the skills, expertise and competencies which are currently available with the Board of Directors of the Company:

Area of Skills, Expertise and Competencies	Devarajan	Mylaraiah	Revathy Ashok	Ravi Bosco Rebello	Vijaya Latha Reddy	Yaman Roy
Industry Knowledge	√	√	√	√	√	√
Business Acumen	√	√	√	√	√	√
Finance	√	√	√	-	√	-
Strategic Thinking & Planning	√	√	√	√	√	√
Sales and Marketing	√	√	-	-	-	-
Risk Management	√	√	√	√	√	√
HR & Talent Management	√	√	√	√	-	-
Corporate Governance	√	√	√	√	√	√
Information Technology	√	√	√	√	√	√

4. AUDIT COMMITTEE

(A) Terms of Reference

The terms of reference and role of the Audit Committee covers the areas as contemplated under section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations.

The role of the Audit Committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required to be included in the

Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.

- b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
 - Reviewing, with the management, the statement of uses / application of funds

raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.

- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Approval or any subsequent modification of transactions of the company with related parties.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism.

- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(B) Composition and Meetings

Five Audit Committee meetings were held during the year 2021-22 on May 24, 2021, August 10, 2021, November 12, 2021, February 04, 2022 and March 15, 2022. The composition of the Audit Committee as on March 31, 2022 and the attendance of the committee members are given below:

Name of Directors	Position	Number of meetings Attended
Ms. Revathy Ashok	Chairperson	4
Mr. S.Devarajan	Member	4
Mr. Ravi Bosco Rebello	Member	3

The Managing Director and Chief Financial Officer are permanent invitees to the meetings of the Audit Committee. Representatives of Statutory Auditors and Internal Auditors are invited to the meetings of the Audit Committee.

The Company Secretary acts as the Secretary of the Audit Committee.

(C) Other Matters

The maximum gap between any two Audit Committee Meetings was less than one hundred and twenty days.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on July 30, 2021.

5. NOMINATION AND REMUNERATION COMMITTEE

(A) Terms of Reference

The terms of reference and role of the Nomination and Remuneration Committee covers the areas as contemplated under section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

The role of the Nomination and Remuneration Committee include the following:

- Formulation of the criteria for determining qualifications, positive attributes and

independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

- Formulation of criteria for performance evaluation of Independent Directors and the Board of Directors.
- Devising a policy on diversity of Board of Directors.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommend to the Board, all remuneration, in whatever form, payable to senior management.

(B) Composition and Meetings

One Nomination and Remuneration Committee meetings was held during the year 2021-22 on May 24, 2021. The composition of the Nomination and Remuneration Committee as on March 31, 2022 and the attendance of the committee members are given below:

Name of Directors	Position	Number of meetings Attended
Ms. Revathy Ashok	Chairperson	1
Mr. S.Devarajan	Member	1
Mr. Ravi Bosco Rebello	Member	1
Ms. Vijaya Latha Reddy	Member	1

(C) Remuneration Policy

Remuneration of the Managing Director is recommended by the Nomination and Remuneration Committee to the Board of Directors based on Industry standard and commensurate with the requirement and profile of his office and further governed by the resolutions of the Shareholders and applicable rules of the Company.

Non-Executive Independent Directors appointed are paid sitting fees for attending the Board and

Audit committee meetings. Chairman & Non-Executive Independent Director is paid a Sitting fee of Rs.100,000/- for attending each Board Meeting & Rs. 20,000/- for attending each Audit Committee Meeting and other Non-Executive Independent Directors are paid a sitting fee of Rs.95,000/- for attending each Board Meeting & Rs.20,000/- for attending each Audit Committee Meeting. No other remuneration or commission is paid to the Non-Executive Independent Directors. The Non-Executive Non-Independent Directors are neither paid sitting fees nor paid any commission.

(D) Details of Remuneration paid to the Directors during the financial year ended March 31, 2022 (Rs.Lakhs)

Name of Directors	Remuneration	Sitting Fees	Total
Mr. S.Devarajan	-	7.00	7.00
Mr. J.N.Mylaraiah	70.19	-	70.19
Ms. Revathi Ashok	-	6.70	6.70
Ms. Vijaya Latha Reddy	-	5.70	5.70

The remuneration paid to Mr.J.N.Mylaraiah, Managing Director includes basic salary, allowances and benefits.

(E) Service Agreement /Notice Period/ Severance Fees/Stock Option

a. The service agreement entered into by the Company with Mr. J.N.Mylaraiah, Managing Director is for a period of 5 years with effect from April 01, 2019.

b. The Company and the Managing Director shall be entitled to terminate the agreement by giving 60 days' notice in writing on either side.

c. No severance fee is payable by the Company to the Managing Director on termination of the agreement.

d. The Company does not have stock option scheme for the Directors and employees of the Company.

e. None of the Directors hold any equity shares of the Company.

f. None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE

(A) Terms of Reference

The terms of reference and the role of the Stakeholders Relationship Committee cover the areas as contemplated under section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations

The role of the Stakeholders Relationship committee includes the following:

- Resolving the grievances of the security holders of the company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the company in respect of various services being rendered by the Registrar and Share Transfer Agent.
- Review of various measures and initiatives taken by the company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.

(B) Composition and Meetings

Four Stakeholders Relationship Committee meetings were held during the year 2021-22 on May 24, 2021, August 10, 2021, November 12, 2021 and February 04, 2022. The composition of the Stakeholders Relationship Committee as on March 31, 2022 and attendance of the committee members are given below:

Name of Directors	Position	Number of meetings Attended
Mr.S.Devarajan	Chairperson	4
Mr.J.N.Mylaraiah	Member	4
Ms. Revathy Ashok	Member	4

(C) Name and Designation of Compliance Officer

Mr. R. Ganesh, Company Secretary is the 'Compliance Officer' of the Company in line with requirement of Listing Agreement with the BSE Limited.

(D) Shareholders Complaints

No complaints were received during the financial year ended March 2021-22.

7. RISK MANAGEMENT COMMITTEE

The Company has laid down Risk Mitigation Processes to address various risks faced by the Company and has constituted a Risk Management Committee (A) Terms of Reference.

(A) Terms of Reference

The role of the Risk Management Committee includes is to frame, implement and monitor the risk management plan of the Company.

(B) Composition and Meetings

One Risk Management Committee meeting was held during the year 2021-22 on March 15, 2022. The composition of the Risk Management Committee as on March 31, 2022 and the attendance of the committee members are given below:

Name of Directors	Position	Number of meetings Attended
Mr.S.Devarajan	Chairperson	1
Ms. Revathy Ashok	Member	1
Mr. Ravi Bosco Rebello	Member	1
Ms. Vijaya Latha Reddy	Member	1
Ms. Yaman Roy	Member	1

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

Pursuant to provisions of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee of the Board has been constituted. The Company has also formulated a CSR Policy and the same is available on the Company's website at www.adckcl.com.

(A) Terms of Reference

The terms of reference and role of the Corporate Social Responsibility Committee covers the areas as contemplated under section 135 of the Companies Act, 2013 besides other terms as referred by the Board.

Briefly, the role of the CSR Committee includes the following:

- Formulate a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company within the overall provisions of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred by the Company in each financial year on CSR activities.
- Monitor the Corporate Social Responsibility Policy of the Company from time to time.

(B) Composition and Meetings

One CSR Committee meeting was held during the year 2021-22 on February 04, 2022. The composition of the CSR Committee as on March 31, 2022 and the attendance of the committee members are given below:

Name of Directors	Position	Number of meetings Attended
Ms. Revathy Ashok	Chairperson	1
Mr. J.N.Mylaraiah	Member	1
Mr. S.Devarajan	Member	1
Ms. Vijaya Latha Reddy	Member	1

9. RECOMMENDATIONS MADE BY ANY OF THE BOARD COMMITTEES WHICH WERE NOT ACCEPTED BY THE BOARD

During the year, there were no instances where the Board had not accepted any recommendation(s) made by the Committees of the Board. All the recommendations of the Committees were accepted by the Board.

10. GENERAL BODY MEETINGS

(A) Location and Time of the last three Annual General Meetings

Year	Date	Venue	Time
2018-2019	July 29, 2019	Vivanta by Taj, No.41/3, M.G. Road, Bangalore	11.00 am
2019-2020	August 27, 2020	Video Conferencing	11.00 am
2020-2021	July 30, 2021	Video Conferencing	11.00 am

(B) Special Resolutions passed in the previous three Annual General Meetings

The following Special Resolutions were passed at the 31st Annual General Meeting held on July 29, 2019:

- Re-appointment of Mr.S.Devarajan as Non-Executive Independent Director.
- Re-appointment of Ms. Revathy Ashok as Non-Executive Independent Director.

No Special Resolution was passed in the 32nd Annual General Meeting held on August 27, 2020 and 33rd Annual General Meeting held on July 30, 2021.

(C) Postal Ballot

During the Financial Year ended March 31, 2022, the Company has not passed any Special Resolution(s) through postal ballot.

11. INDEPENDENT DIRECTORS MEETING

During the year, the Independent Directors held one meeting on March 15, 2022 without the presence of Non-Independent Directors and Members of the Management. All the Independent Directors attended the said meeting through video conferencing/other audio-visual means. At the said meeting, the Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole and assessed the quality, quantity and timeliness of the flow of information between the Company Management and the Board and its Committees, that is necessary to perform and discharge their duties effectively and reasonably.

12. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Familiarization Program aim at helping the independent directors to get an insight into the Company's business model and understand in depth various business operations and contribute significantly to the Company.

The Company through its Managing Director/ Senior Management Personnel makes presentations periodically to familiarize the Independent Directors with the business scenario, strategy, operations and functions of the Company. Such presentations provide an opportunity to the Independent Directors to interact with the senior management team of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human

resources, technology, quality, facilities and risk management and such other areas as may arise from time to time. On a quarterly basis, the Directors are also updated on relevant regulatory changes and important statutory amendments.

The Familiarization Programmes for Independent Directors and details of the Programmes undergone by the Independent Directors are disclosed in the Company's website at www.adckcl.com/InvestorRelations/Other Information.

13. PROCEEDS FROM PUBLIC ISSUES, RIGHTS ISSUES, PREFERENTIAL ISSUES ETC

The Company did not have any of the above issues during the year under review.

14. COMPLIANCE WITH ACCOUNTING STANDARDS

In the preparation of financial statements for the year ended March 31, 2022, there is no deviation from the prescribed Accounting Standards.

15. COMPLIANCE CERTIFICATE FROM THE AUDITORS

Certificate from Statutory Auditors of the Company on compliance with the conditions of corporate governance stipulated in the SEBI Listing Regulations during the year ended March 31, 2022 is annexed to this report.

16. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct for Business Conduct and Ethics for all Board Members and Senior Management of the Company. The Code of Conduct has been posted on the Company's website at www.adckcl.com. All the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct during the year. A declaration from the Managing Director of the Company to this effect is given below:

DECLARATION

It is hereby declared that all Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct for the Directors and Senior Management of the Company in respect of the financial year ended March 31, 2022.

Place: Bangalore
Date: May 27, 2022

J.N.Mylaraiah
Managing Director

17. CODE FOR PREVENTION OF INSIDER TRADING

The Company has laid down a Code of Conduct to regulate, monitor and report trading by designated persons and their immediate relatives as required under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. All the Directors, employees and third parties who could have access to the unpublished price sensitive information of the Company are governed by this code. This Code of Conduct also includes code of practices and procedures for fair disclosure of unpublished price sensitive information. PAN Number based report is provided by Registrar and Share Transfer Agent of the Company, on a weekly basis, for monitoring of the in the Company's securities by the Designated Persons. The Code of conduct has been displayed on the Company's website at www.adckcl.com.

18. RECONCILIATION OF SHARE CAPITAL AUDIT

In the year 2021-22 M/s. V.Sreedharan and Associates, Company Secretaries carried out the Reconciliation of Share Capital Audit on quarterly basis to reconcile the total issued and paid-up capital with the aggregate of the total number of the shares held in physical form and the total number of dematerialized shares held with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The report for every quarter upon reconciliation of Share Capital was submitted to the BSE Limited. No discrepancies were noticed during these audits.

19. CEO AND CFO CERTIFICATION

Pursuant to the provisions of Regulations 17(8) read with Schedule II Part B of the SEBI Listing Regulations, the Managing Director and Chief Financial Officer of the Company have furnished to the Board, the requisite compliance certificate for the financial year ended March 31, 2022 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed to this Report.

20. COMMODITY PRICE RISK / FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Commodity Price Risk - The Company imports copper cables for trading. The purchase price depends on LME prices for copper.

Foreign Exchange Risk – The Company undertakes transactions denominated in foreign currencies. Consequently, exposure to exchange rate fluctuation arises. The carrying amounts of the Company's foreign currency denominated monetary liabilities (Trade payables) as of March 31, 2022 was Rs.149.62 lakhs. The Company do not have any hedging policy.

21. SUBSIDIARY COMPANY

The Company does not have any Subsidiary. Hence, the Company has not formulated a specific policy for determining material subsidiaries.

22. COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with all the mandatory corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

The Company has adopted the following non-mandatory requirements specified in SEBI Listing Regulations

(A) Audit Qualifications

The Auditors have not qualified the financial statements of the Company for the year ended March 31, 2022.

(B) Separate posts of Chairman and CEO/ Managing Director

The Posts of Chairman and Managing Director are separate. The Chairman is a Non-Executive Independent Director.

(C) Reporting of Internal Auditors

The Internal Auditors of the Company report to the Audit Committee. The Partner of the Internal Auditors Firm participates in the meetings of the Audit Committee and presents the audit observations to the Committee.

23. DISCLOSURES

(A) Related Party Transactions

There were no materially significant related party transactions during the year having potential conflict with the interests of the Company. Further the Company has not entered into any transaction of a material nature with the Promoters, Directors or their relatives etc. that may have potential conflict with the interests of the Company.

Transactions with related parties, as per requirements of Indian Accounting Standard 24, are disclosed in the Notes to the financial statements for the financial year ended March 31, 2022.

The Related Party transactions Policy has been displayed on the Company's website at www.adckc.com.

(B) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 forms part of the Boards' Report.

(C) Details of non-Compliance by the Company

No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

(D) Vigil Mechanism / Whistle Blower Policy

The Company has established a Vigil Mechanism/Whistle Blower Policy for Directors and Employees to report instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The Policy provides adequate safeguards against victimization of Director(s) and Employee(s) who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. The Vigil Mechanism also cover the Whistle Blower Mechanism aspect as stipulated under the Companies Act, 2013 and the SEBI Listing Regulations. The Company affirms that no person has been denied access to the Audit Committee in this respect. The Vigil Mechanism/Whistle Blower policy is available on the website of the Company at www.adckcl.com/About ADC/Policies.

(E) Certificate from Company Secretary in Practice

As required under Regulations 34(3) read with Schedule V of SEBI Listing Regulations, the Company has received a certificate from Ms. Devika Sathyanarayana, Partner, V. Sreedharan and Associates, Company Secretaries confirming that none of the directors on the Board of the company have been debarred or disqualified from being

appointed or continuing as director of the company by the Securities and Exchange Board of India (SEBI) or Ministry of Corporate Affairs or any such statutory authority. The said certificate is annexed to this report.

(F) Details of payment to Statutory Auditors

During the financial year ended March 31, 2022, the Company has paid a consolidated fees of Rs.19 lakhs to the Statutory Auditors, M/s. Deloitte Haskins & Sells and all the entities forming part of the same network.

24. MEANS OF COMMUNICATION

The Quarterly and the Annual Financial Results of

the Company are generally published in Business Standard (English daily) and Sanjevani (Kannada Daily). The Quarterly and the Annual Financial Results are also displayed on the Company's website at www.adckcl.com. The Company also informs BSE Limited in a prompt manner, information on all matters which in the opinion of the Company are relevant for the shareholders.

25. GENERAL SHAREHOLDER INFORMATION

Shareholder Information required to be disclosed pursuant to Schedule V of SEBI Listing Regulations are provided in the General Shareholder information section of the Annual Report.

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of ADC India Communications Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated August 10, 2021.
2. We, Deloitte Haskins & Sells, the Statutory Auditors of **ADC INDIA COMMUNICATIONS LIMITED** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of

the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2022.
9. We 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 Deloitte Haskins & Sells
Chartered Accountants
Firm's Registration No. 008072S

Jaideep S. Trasi
Partner
Membership No. 211095
UDIN: 22211095AJSYQU5888

Place: Bangalore
Date: May 27, 2022

CEO AND CFO CERTIFICATION

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors
ADC India Communications Limited
Bangalore

We, J.N.Mylaraiah, Managing Director and Rakesh Bhanushali, Chief Financial Officer of ADC India Communications Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2022 and that to the best of our knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
 - a. significant changes in internal control over financial reporting during the year;
 - b. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial Statements; and
 - c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For and on behalf of the Board of Directors

J.N.Mylaraiah
Managing Director

Rakesh Bhanushali
Chief Financial Officer

Place: Bangalore
Date: May 27, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)]

To

**The Members of
ADC INDIA COMMUNICATIONS LIMITED
No. 10C, 2nd Phase, 1st Main
Peenya Industrial Area
Bengaluru - 560058**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ADC INDIA COMMUNICATIONS LIMITED**, having CIN L32209KA1988PLC009313 and having registered office at No. 10C, 2nd Phase, 1st Main, Peenya Industrial Area, Bengaluru - 560058 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA).

Details of Directors

Sl.No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Mylaraiah Nagabhushana Jambur	06675260	06/09/2013
2	Mrs. Revathy Ashok	00057539	05/08/2011
3	Mr. Devarajan Samu	00878956	06/02/2013
4	Mr. Ravi Bosco Rebello	07868872	04/08/2017
5	Ms. Vijayalatha Reddy	06778078	16/09/2020
6	Ms. Yaman Roy	07341809	16/09/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For V SREEDHARAN & ASSOCIATES

(Devika Sathyanarayana)

Partner

FCS: 11323; CP No.17024

UDIN: F011323D000374818

Place: Bengaluru

Date : May 24, 2022

GENERAL SHAREHOLDER INFORMATION

1. Corporate Identity Number (CIN)

Corporate Identity Number (CIN) allotted by Ministry of Company Affairs, Government of India is L32209KA1988PLC009313.

2. 34th Annual General Meeting (AGM)

Date & Time: Friday, July 29, 2022 at 11.00 a.m.

Venue : Video Conference (VC) / Other Audio-Visual Means (OAVM).

3. Financial Year

The financial year of the Company is from 1st day of April to 31st day of March of next year. Tentative schedule for declaration of financial results for the Financial Year 2022-23 are as follows:

Description	Dates
For the quarter ending June 30, 2022	August, 2022
For the quarter and six months ending September 30, 2022	November, 2022
For the quarter and nine months ending December 31, 2022	February , 2023
Annual Financial Results for the year ending on March 31, 2023	May, 2023
Annual General Meeting for the year ending on March 31, 2023	July, 2023

4. Date of Book Closure

From July 23, 2022 to July 29, 2022 (both days inclusive)

5. Dividend Payment Date

Dividend will be paid within the time specified in the Companies Act, 2013.

6. Listing on Stock Exchanges

The Equity Shares of the Company is listed at
BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street
Fort, Mumbai - 400 001

Annual Listing Fees for the year 2021-22 has been paid to BSE within the time specified by BSE Limited.

7. Stock Code - 523411

ISIN Code - INE833A01016

8. Registrar and Transfer Agent

KFin Technologies Limited
Selenium Tower B, Plot No. 31&32, Financial District
Nanakramguda, Serilingampally Mandal, Hyderabad-500 032
Tel: 040-67162222
Fax: 040-23001153
Toll Free No. 1800 309 4001
E-mail : einward.ris@kfintech.com

9. Shareholders Complaints

During the financial year under review, no complaints were received from the Shareholders.

GENERAL SHAREHOLDER INFORMATION

10. Market Price Data

Monthly high and low quotations at BSE Limited during the year:

Months	ADC India price movement in BSE		BSE Sensex		ADC India price movement %		BSE Sensex Movement %	
	High	Low	High	Low	High	Low	High	Low
April-21	215	185	50,376	47,204				
May-21	240	191	52,013	48,028	12%	3%	3%	2%
June-21	314	206	53,127	51,451	31%	8%	2%	7%
July-21	284	239	53,291	51,803	-10%	16%	0%	1%
August-21	299	226	57,625	52,804	5%	-5%	8%	2%
September-21	375	232	60,412	57,264	25%	3%	5%	8%
October-21	396	279	62,245	58,551	6%	20%	3%	2%
November-21	385	306	61,036	56,383	-3%	10%	-2%	-4%
December-21	460	294	59,203	55,133	19%	-4%	-3%	-2%
January-22	452	342	61,475	56,410	-2%	16%	4%	2%
February-22	390	280	59,619	54,383	-14%	-18%	-3%	-4%
March-22	320	290	58,891	52,261	-18%	4%	-1%	-4%

11. Share Transfer System

In terms of the SEBI Listing Regulations, equity shares of the Company can be transferred/traded only in dematerialised form. Requests for dematerialisation of shares are processed and confirmation thereof given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL), within the statutory time limit from the date of receipt of share certificates/letter of confirmation after due verification.

Shareholders holding shares in physical form are therefore advised to avail the facility of dematerialization

12. Distribution of Shareholding as on March 31, 2022:

Category	No. of Shareholders	% to total number of shareholders	No. of shares	% to total number of shares
1 – 100	3127	72.64	178713	3.88
101 – 200	462	10.73	79126	1.72
201 – 500	401	9.32	142456	3.10
501 – 1000	134	3.11	106265	2.31
1001 – 5000	143	3.32	299409	6.51
5001 – 10000	20	0.46	154199	3.35
Above 10001	18	0.42	3639832	79.13
Total	4305	100.00	4600000	100.00

GENERAL SHAREHOLDER INFORMATION

13. Shareholding Pattern as on March 31, 2022:

Category of Shareholder	Number of Shareholders	Number of Shares	Percentage to Total Shares
Promoter & Promoter Group	2	3313037	72.02
Non-Resident Indians	48	10243	0.22
Mutual Funds	1	100	0.00
Banks/NBFC	2	170	0.00
Bodies Corporate	54	49883	1.09
PFIE	1	25038	0.55
Public and others	4197	1201529	26.12
Total	4305	4600000	100.00

14. Dematerialisation of Shares

99.01% of Company's total equity share capital is held in dematerialized form with NSDL and CDSL as on March 31, 2022.

15. Outstanding ADRs/GDRs/Warrants or any Convertible Instruments, Conversion date and likely impact on equity

As on date, the Company has not issued GDRs, ADRs, Warrants or any Convertible instruments.

16. Credit Rating

The Company does not have any debt instrument, fixed deposit programme or any scheme or proposal for mobilization of funds. Hence, the Company has not obtained any credit rating during the financial year.

17. Plant location

The Company's plant is located at Bangalore at the following address:

No.10C, 2nd Phase, 1st Main,
Peenya Industrial Area, Bangalore -560 058.
Tel: +91 80 28396102/28396291
E-mail: support@adckcl.com

18. Address for correspondence

Members may write either to the Company or to the Registrar and Share Transfer Agent, KFin Technologies Limited for redressal of their queries and grievances. The contact details of the concerned officials are given below:

ADC India Communications Limited

Mr. R. Ganesh, Company secretary
Tel: +91-80-28396102 / 28396291
E-mail: ganesh.r@adckcl.com

KFin Technologies Limited

Ms. Sheetal Doba, Manager–Corporate Registry
Tel: +91-40-67161509
E-mail: sheetal.doba@kfintech.com

Members may also correspond with KFin Technologies Limited by writing to their designated E-mail ID: einward.ris@kfintech.com

INDEPENDENT AUDITORS' REPORT

To

**The Members of ADC India Communications Limited
Report on the Audit of the Financial Statements**

Opinion

We have audited the accompanying financial statements of ADC India Communications Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Corporate Sustainability Report, but does not include the consolidated financial statements, financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are 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 these financial statements.

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 financial statements, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting

policies used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's 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 Company's ability 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Company to express an opinion on the financial statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements 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 financial statements.

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.

INDEPENDENT AUDITORS' REPORT (CONTINUED)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities "Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company

INDEPENDENT AUDITORS' REPORT (CONTINUED)

shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable. As stated in Note 38 to the financial statements, the Board of Directors of the Company have proposed

final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Jaideep S Trasi
Partner
Membership No. 211095
UDIN: 22211095AJSTYG9278

Place: Bangalore
Date: May 27, 2022

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **ADC India Communications Ltd** (“the Company”) as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT (CONTINUED)

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls

over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Jaideep S Trasi
Partner
Membership No. 211095
UDIN: 22211095AJSTYG9278

Place: Bangalore
Date: May 27, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. The Company does not have any capital work-in-progress or right of use assets.

The Company does not have any intangible assets

- (b) Some of the property, plant and equipment were physically verified during the year by the Management in accordance with a programme of verification, which, in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals having regard to the size of the Company and the nature of its activities. According to the information and explanations given to us, no material discrepancies were noticed on such physical verification.

- (c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that the title deeds of all the immovable properties of land and buildings disclosed in the financial statements included in property, plant and equipment, are held in the name of the Company as at the balance sheet date.

- (d) The Company has not revalued any of its property, plant and equipment during the year. The Company does not have any intangible assets.

- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- (ii) (a) The inventories, except for goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods-in-transit, the goods have been received

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT (CONTINUED)

subsequent to the year-end or confirmations have been obtained from the vendors/transporters. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with the books of account.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause (ii)(b) of the Order is not applicable

- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause (iii) of the Order is not applicable.
- (iv) The Company has not granted loans, made investments or provided guarantees or securities and hence reporting under clause (iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence reporting under clause (v) of the Order is not applicable.
- (vi) Having regard to the nature of the Company’s business / activities, reporting under clause (vi) of the Order is not applicable.
- (vii) In respect of statutory dues:
- (a) Undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees’ State Insurance, Income-tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities in all cases during the year. There were no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees’ State Insurance, Income-tax, cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited on account of disputes as on March 31, 2022 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount involved (Rs.Lakhs)
Income Tax Act, 1961	Income Tax	Assistant Commissioner of Income Tax	AY 2008-09	18.37
			AY 2015-16	11.49
			AY 2018-19	161.93
			AY 2019-20	35.23
Finance Act, 1994	Sales Tax (including interest till date of assessment)	Commissioner (Appeals)	October, 2013 to March, 2017	193.26*

*Net of Rs. 21.47 lakhs paid under protest.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause (ix)(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the financial year for long-term purposes by the Company.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause (ix)(e) of the Order is not applicable.
- (f) The Company has not raised any loans during the year and hence reporting on clause (ix)(f) of the Order is not applicable.
- (x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.

- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable not applicable to the Company.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv)(a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto December 2021 and the draft of the internal audit reports where issued after the balance sheet covering the period January 2022 to March 2022 for the period under audit
- (xv) In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or directors of its Holding Company or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi)(a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- (b) The Group does not have any CIC as part of the group and accordingly, reporting under clause (xvi)(d) of the Order is not applicable.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

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

Jaideep S Trasi
Partner

Membership No. 211095
UDIN: 22211095AJSTYG9278

Place: Bengaluru
Date: May 27, 2022

BALANCE SHEET AS AT MARCH 31, 2022

	Notes	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
ASSETS			
Non-current assets			
(a) Property, plant and equipment	4	303.09	325.87
(b) Financial assets			
(i) Other financial assets	5	9.56	12.32
(c) Deferred tax assets (net)	6	28.98	44.72
(d) Other non-current assets	7	362.64	347.49
Total non-current assets		704.27	730.40
Current assets			
(a) Inventories	8	1208.65	1,130.29
(b) Financial assets			
(i) Trade receivables	9	2014.58	1,785.51
(ii) Cash and bank balances	10	3551.18	2,809.73
(iii) Other financial assets	5	6.89	4.02
(c) Other current assets	7	79.15	68.77
Total current assets		6860.45	5,798.32
Total assets		7564.72	6,528.72
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	460.00	460.00
(b) Other equity	12	4563.88	3,827.09
Total equity		5023.88	4,287.09
Non-current liabilities			
(a) Provisions	13	19.98	19.56
Total non-current liabilities		19.98	19.56
Current liabilities			
(a) Financial liabilities			
(i) Trade payables	14		
(a) Total outstanding dues of micro enterprises and small enterprises		59.17	26.94
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2369.69	2,101.93
(b) Provisions	13	2.78	3.59
(c) Current tax liability (Net)	15	4.12	18.64
(d) Other current liabilities	16	85.10	70.97
Total current liabilities		2520.86	2,222.07
Total liabilities		2540.84	2,241.63
Total equity and liabilities		7564.72	6,528.72

See accompanying notes forming part of the financial statements.

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors
of ADC India Communications Limited

Jaideep S Trasi
Partner

S.Devarajan
Chairman and Director

Mylaraiah J.N
Managing Director

R. Ganesh
Company Secretary

Place : Bangalore
Date : May 27, 2022

Place : Bangalore
Date : May 27, 2021

Rakesh Bhanushali
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

	Notes	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Revenue from operations	17	11,892.51	5,985.96
Other income	18	111.72	94.24
Total income		12,004.23	6,080.20
Expenses			
Cost of raw materials, components, packing materials and services consumed	19	417.45	302.37
Purchase of stock-in-trade	20	9,438.33	4,679.73
(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	21	33.94	(341.16)
Employee benefits expense	22	402.71	366.91
Finance cost	23	1.43	3.11
Depreciation and amortization expense	24	30.85	51.20
Other expenses	25	542.71	494.36
Total expenses		10,867.42	5,556.52
Profit before tax		1,136.81	523.68
Tax expense			
Current tax	26	273.99	138.90
Deferred tax	26	14.56	22.40
Total tax expense		288.55	161.30
Profit for the year		848.26	362.38
Other comprehensive income			
(i) Items that will not be reclassified to profit or loss			
(a) Remeasurements of the defined benefit plans		4.72	(1.01)
(b) Deferred tax on remeasurements of the defined benefit plans		(1.19)	0.25
Total other comprehensive income after tax		3.53	(0.76)
Total comprehensive income for the year		851.79	361.62
Earnings per equity share (nominal value of share Rs.10)			
Basic / Diluted EPS	28	18.44	7.87
Weighted average number of equity shares used in computation of above		4,600,000	4,600,000

See accompanying notes forming part of the financial statements

In terms of our report attached.

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors
of ADC India Communications Limited

Jaideep S Trasi
Partner

S.Devarajan
Chairman and Director

Mylaraiah J.N
Managing Director

R. Ganesh
Company Secretary

Place : Bangalore
Date : May 27, 2022

Place : Bangalore
Date : May 27, 2022

Rakesh Bhanushali
Chief Financial Officer

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Cash flow from operating activities		
Profit before tax	1136.81	523.68
Add / (Less)		
Depreciation and amortization expense	30.85	51.20
Loss/(profit) on property, plant & equipment sold/discarded(net)	-	(2.23)
Provision/(reversal) for doubtful trade receivables & advances	(43.21)	8.47
Unrealized foreign exchange (gain) / loss (net)	2.41	2.43
Interest expenses	-	0.11
Interest income	(66.10)	(59.31)
Operating profit before working capital changes	1,060.76	524.35
Movements in working capital :		
Increase/ (decrease) in trade payables	297.57	780.61
Increase/ (decrease) in other financial liabilities	(0.39)	2.01
Increase / (decrease) in provisions (current)	18.85	12.15
Increase/ (decrease) in other current liabilities	(78.36)	(335.80)
Decrease / (increase) in inventories	(192.77)	(476.38)
Decrease / (increase) in trade receivables	37.50	270.51
Cash generated from operations	1,143.16	777.45
Direct taxes paid (net of refunds)	(341.87)	(278.14)
Net cash flow from operating activities (A)	801.29	499.31
Cash flows from investing activities		
Purchase of assets, including capital advances	(8.07)	(7.95)
Proceeds from sale of assets	-	2.94
Proceeds from sale of property, plant and equipment	63.23	61.75
Interest received	-	0.77
Net cash flow from investing activities (B)	55.16	57.51
Cash flows from financing activities		
Dividends paid on equity shares	(115.00)	(92.00)
Repayment of lease liabilities	-	(15.65)
Interest paid	-	(0.11)
Net increase/(decrease) in unpaid dividend account	-	(0.77)
Net cash flow used in financing activities (C)	(115.00)	(108.53)
Net increase / (decrease) in cash and cash equivalents (A + B + C)	741.45	448.29

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Cash and cash equivalents at the beginning of the year	2,809.73	2,361.44
Cash and cash equivalents at the end of the year	3,551.18	2,809.73
Components of cash and cash equivalents		
Balances with banks:		
- in current accounts	1,651.18	909.73
- in deposit accounts	1,900.00	1,900.00
Total cash and cash equivalents (note 10)	3,551.18	2,809.73

In terms of our report attached

For Deloitte Haskins & Sells
Chartered Accountants

For and on behalf of the Board of Directors
of ADC India Communications Limited

Jaideep S Trasi
Partner

S.Devarajan
Chairman and Director

Mylaraiah J.N
Managing Director

R. Ganesh
Company Secretary

Place : Bangalore
Date : May 27, 2022

Place : Bangalore
Date : May 27, 2022

Rakesh Bhanushali
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

a. Equity share capital

Particulars	Amount (Rs. Lakhs)
Balance at April 1, 2021	460.00
Changes in equity share capital during the year	
(a) Additions during the year	-
Balance at March 31, 2022	<u>460.00</u>

b. Other Equity

Particulars	Reserves and Surplus		
	General Reserve (Rs. Lakhs)	Surplus in Statement of Profit and Loss (Rs. Lakhs)	Total Other Equity (Rs. Lakhs)
Balance at April 1, 2021	776.39	3,050.70	3,827.09
Add:			
Profit for the year	-	848.26	848.26
Add / (Less):			
Loss on Remeasurement of defined benefit plans (net of tax)	-	3.53	3.53
Dividend paid and tax thereon	-	(115.00)	(115.00)
Balance at March 31, 2022	<u>776.39</u>	<u>3,787.49</u>	<u>4,563.88</u>

In terms of our report attached

For Deloitte Haskins & Sells

Chartered Accountants

Jaideep S Trasi

Partner

Place : Bangalore

Date : May 27, 2022

S.Devarajan

Chairman and Director

Place : Bangalore

Date : May 27, 2022

For and on behalf of the Board of Directors

of ADC India Communications Limited

Mylaraiah J.N

Managing Director

Rakesh Bhanushali

Chief Financial Officer

R. Ganesh

Company Secretary

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

1. CORPORATE INFORMATION

ADC India Communications Limited (“the Company”) is a public company domiciled in India. The Company is engaged in providing versatile, reliable and cost effective connectivity solutions to suit individual enterprise and telecom service provider requirements. The Company provides copper and fiber physical connectivity in telecommunications and data networking solutions including structured cabling.

2. BASIS FOR PREPARATION AND PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

a. Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as in value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

Summary of significant accounting policies

b. Revenue Recognition

Revenue from sale of products is presented in the income statement within Revenue from operations. The Company presents revenue net of indirect taxes in its statement of profit and loss. Sale of products comprise revenue from sales of products, net of sales returns, rebates, incentives and customer discounts

Revenue is recognized when it is probable that future economic benefits will flow to the Company and these benefits can be measured reliably. Further, revenue recognition requires that all significant risks and rewards of ownership of the goods included in the transaction have been transferred to the buyer, and that Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold. Performance obligations are satisfied at one

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

point in time, typically on delivery. Revenue is recognized when the Company transfers control over the product to the customers; control of a product refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, that asset. The majority of revenue earned by the Company is derived from the satisfaction of a single performance obligation for each contract which is the sale of products.

Sales are measured at the fair value of consideration received or receivable. The amounts of rebates/incentives based on attainment of sales targets is estimated and accrued on each of the underlying sales transactions recognised. Returns and customer discounts, as described above, are recognized in the period in which the underlying sales are recognized. The amount of sales returns is calculated on the basis of management's best estimate of the amount of product that will ultimately be returned by customers. The amount recognized for returns is estimated on the basis of past experience of sales returns.

Revenue from service contracts are recognized when the services are completed as per the terms of the agreement and when no significant uncertainty as to its determination or realisation exists.

Revenue from turnkey contracts, which are generally time bound fixed price contracts, are recognised over the life of the contract using percentage completion method, with contract costs determining the degree of completion.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

c. Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of profit and loss.

Depreciable amount for assets is the cost of asset less its estimated residual value. Depreciation on tangible assets is provided on the Straight-Line Method (SLM) method as per useful life provided in Schedule II of the Companies Act 2013.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

d. Investment property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16 requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**e. Intangible assets**

Acquired Intangible Assets - Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses (if any). Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit and loss when the asset is derecognised.

f. Inventories

Inventories are valued at the lower of weighted average cost and the net realizable value. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads. Raw materials, components, consumables and packing material are valued at weighted average cost. Stock-in-trade are valued at lower of weighted average cost and net realizable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

g. Operating segments

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (CODM) in deciding how to allocate resources and assessing performance. The Company's CODM is Managing Director. Refer note 27 for detailed segment presentation.

h. Financial Instruments**Financial assets and financial liabilities**

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments.

Initial recognition and measurement

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

Subsequent measurement**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and contractual terms of financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Financial Assets at fair value through other comprehensive Income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within business model whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it measured at amortised cost or fair value through other comprehensive income on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

Impairment of Trade receivables

For trade receivables or any contractual right to receive cash or another financial asset that results from transactions that are within the scope of Ind AS 115 (Revenue) the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in statement of profit and loss if such gain or loss would have otherwise been recognised in statement of profit and loss on disposal of that financial asset.

Financial liabilities

Financial liabilities are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Offsetting financial asset and financial liability

The company offsets a financial asset and a financial liability when the Company :

- (a) currently has a legally enforceable right to set off the recognised amounts and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Foreign Currency transactions and translations

The functional currency of the Company is Indian Rupee (Rs.).

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss in the year in which it arises.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

i. Employee Benefits

Defined Contribution Plan

The Company's contribution to provident fund are considered as defined contribution plans and are recognised as an expense when employees have rendered service entitling them to the contributions.

Defined Benefit Plan

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. Remeasurement, comprising actuarial gains and losses is recognised in other comprehensive income in the period in which they occur.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

Other Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the balance sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

j. Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Where the Company is lessee

The Company's lease asset classes primarily consist of leases for Land and building. The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves—

(a) the use of an identified asset,

(b) the right to obtain substantially all the economic benefits from use of the identified asset, and

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease payments have been classified as cash used in Financing activities.

Where the Company is lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases.

Leases, for which the Company is an intermediate lessor, it accounts for the head-lease and sub-lease as two separate contracts. The sub-lease is classified as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

k. Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax for the period

Current and deferred tax are recognised in Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

I. Provisions and Contingent Liabilities

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

m. Impairment of non-financial assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

n. Earnings per share

Basic earnings per share are computed by dividing profit and loss attributable to equity shareholders of the company by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

o. Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of classification of its assets and liabilities as current and non-current.

3A. Use of estimates and judgements

In the application of the Company's accounting policies, which are described in note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Litigations

The Company is a party to certain direct tax and indirect tax disputes. Uncertain tax items for which a provision is made relate principally to the interpretation of tax legislation applicable to arrangements entered into by the Company. Due to the uncertainty associated with such tax items, it is possible that, on conclusion of open tax matters at a future date, the final outcome may differ significantly.

Impairment of Trade receivables

The recognition of impairment loss allowance on trade receivables are based on assumptions about risk of default and expected loss rates. The Company uses judgements in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Provision for Inventory

Obsolete, slow moving and defective inventories are identified from time to time and, where necessary, a provision is made for such inventories. The factors that the Company considers in determining the allowance for obsolete, slow moving and defective inventory include ageing of inventory, estimated shelf life and estimated usage, to the extent each of these factors impact the Company's business and markets. The Company considers all these factors and adjusts the inventory provision to reflect its actual experience on a periodic basis.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Estimation uncertainty relating to the global health pandemic on COVID-19

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. In assessing the recoverability of receivables, other financials assets, the Company has considered internal and external information up to the date of approval of these financial statements. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

3B. Standards Issued but Not Effective

On March 23, 2022, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2022. This notification has resulted into amendments in the following existing accounting standards from April 1, 2022.

- i. Ind AS 101 – First time adoption of Ind AS
- ii. Ind AS 103 – Business Combination
- iii. Ind AS 109 – Financial Instrument
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- vi. Ind AS 41 – Agriculture

Application of above standards are not expected to have any significant impact on the Company's financial statements.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

4. Property, Plant and Equipment

		(Amount in Rs. Lakhs)						
	Land*	Building*	Plant & Machinery	Furniture & Fixtures	Office Equipment	Computers	Total	
Gross Carrying amount	-	-	70.25	1.61	24.52	55.98	152.36	
At April 1, 2020	-	-	5.29	-	1.98	0.68	7.95	
Additions	172.98	157.40	-	-	-	-	330.38	
Transferred from investment property	-	-	27.18	0.41	5.16	-	32.75	
Deletions	-	-	-	-	-	-	-	
Adjustments/Reclass	-	-	-	-	-	-	-	
At March 31, 2021	172.98	157.40	48.36	1.20	21.34	56.66	457.94	
Accumulated depreciation								
At April 1, 2020	-	-	45.30	1.34	11.57	31.48	89.69	
Transferred from investment property	-	41.21	-	-	-	-	41.21	
Charge for the year	-	5.45	9.26	0.04	3.71	14.75	33.21	
Deletions	-	-	26.85	0.26	4.93	-	32.04	
Adjustments/Reclass	-	-	-	-	-	-	-	
At March 31, 2021	-	46.66	27.71	1.12	10.35	46.23	132.07	
Net carrying amount								
At March 31, 2021	172.98	110.74	20.65	0.08	10.99	10.43	325.87	
Gross carrying amount	172.98	157.40	48.36	1.20	21.34	56.66	457.94	
At April 1, 2021	-	-	-	0.11	0.68	7.28	8.07	
Additions	-	-	-	-	-	-	-	
Deletions	-	-	-	-	-	-	-	
Adjustments/Reclass	-	-	-	-	-	-	-	
At March 31, 2022	172.98	157.40	48.36	1.31	22.02	63.94	466.01	
Accumulated depreciation								
At April 1, 2021	-	46.66	27.71	1.12	10.35	46.23	132.07	
Charge for the year	-	9.33	8.21	0.01	3.44	9.86	30.85	
Deletions	-	-	-	-	-	-	-	
Adjustments/Reclass	-	-	-	-	-	-	-	
At March 31, 2022	-	55.99	35.92	1.13	13.79	56.09	162.92	
Net carrying amount								
At March 31, 2022	172.98	101.40	12.44	0.18	8.24	7.85	303.09	

* The Board of Directors of the Company have granted its in-principle approval to the sale of land and building and accorded its consent to the Management to take necessary steps including scouting of buyers towards the sale of land and building. The matter is currently in an exploration stage with no buyer having been identified so far and the said land and building is currently being used for the business of the Company. Accordingly, the same has been classified as property, plant and equipment.

Notes : 1. The title deeds of the immovable properties included above are in the name of the Company.

2. There are no proceeding which have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
5 Other Financial Assets		
Non-current, at amortised cost		
Security deposits	9.56	12.32
Total	9.56	12.32
Current		
Interest accrued on fixed deposits	6.89	4.02
Total	6.89	4.02

	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
6 Deferred tax asset (net)		
Deferred tax asset on		
Difference between book balance and tax balance of property, plant & equipment	1.30	-
Provision for doubtful trade receivables / advances	4.66	15.53
Provision for compensated absences, gratuity and other employee benefits	22.96	22.28
Disallowance u/s 40(a)(ia)	0.06	7.16
Deferred tax liability on		
Difference between book balance and tax balance of property, plant & equipment	-	(0.25)
Total	28.98	44.72

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
7 Other Assets		
Non-current		
Advance income-tax (Refer note below)	321.30	267.94
Balances with statutory / government authorities (Considered good)	41.34	79.55
Balances with statutory / government authorities (Considered doubtful)	12.17	19.09
Less: Provision for doubtful advances	(12.17)	(19.09)
Total	362.64	347.49
Current		
Prepaid expenses	19.46	7.15
Other advances	0.60	0.18
Balances with statutory / government authorities (Considered good)	59.09	61.44
Total	79.15	68.77
	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
Note:		
Advance tax and TDS	1,772.96	1,586.07
Less: Provision for tax	(1,451.66)	(1,318.13)
	321.30	267.94

	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
8 Inventories (valued at lower of cost and net realizable value)		
Raw materials, components, consumables and packing materials	187.69	75.39
Work-in-progress	3.71	4.36
Finished goods	180.73	109.88
Stock-in-trade [Includes in-transit Rs. 108.27 lakhs (March 31, 2021 : Rs.133.89 lakhs)]	836.52	940.66
	1,208.65	1,130.29

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
9	Trade receivables		
	Current		
	Considered good (Unsecured)	2,020.92	1,828.14
		<u>2,020.92</u>	<u>1,828.14</u>
	Less: Allowance for expected credit losses	(6.34)	(42.63)
	Total	<u><u>2,014.58</u></u>	<u><u>1,785.51</u></u>

The Company uses a provision matrix to determine impairment loss on portfolio of its trade receivable. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At regular intervals, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

9.1 Trade receivables ageing schedule as at 31st March 2022

Trade Receivable ageing schedule

Particulars	March 31, 2022		March 31, 2021	
	Undisputed	Disputed	Undisputed	Disputed
Balance outstanding which are overdue for:				
Not due	1,815.43	-	1,492.55	-
Less than 6 Months	197.23	-	295.75	-
6 Months - 1 Year	2.53	-	5.75	-
1-2 Years	2.43	-	2.79	-
2-3 Years	1.09	-	0.76	-
Morethan 3 Years	2.21	-	30.54	-
Total	<u><u>2,020.92</u></u>	-	<u><u>1,828.14</u></u>	-

Note : Refer Note 30 for details of Credit Risk

		As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
10	Cash and Bank balances		
	Cash	-	-
	Balances with banks:		
	– In Current Accounts / (book overdraft)	1,651.18	909.73
	– In EEFC Accounts	-	-
	– In Demand Deposits	1,900.00	1,900.00
	Other bank balances		
	– Earmarked balance with banks (Unpaid dividend)	-	-
		<u>3551.18</u>	<u>2,809.73</u>
	Amounts that qualify as Cash and Cash equivalents under Ind AS 7 “Statement of Cash flows”	3,551.18	2,809.73

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
11	SHARE CAPITAL		
	Authorised		
	10,000,000 (March 31, 2021: 10,000,000) equity shares of Rs. 10 each	1,000.00	1,000.00
	Issued, subscribed and fully paid-up		
	4,600,000 (March 31, 2021: 4,600,000) equity shares of Rs.10 each fully paid up	460.00	460.00
	Total issued, subscribed and fully paid-up share capital	460.00	460.00

(a) **Reconciliation of the shares outstanding at the beginning and at the end of the reporting period**
Equity Shares

	March 31, 2022		March 31, 2021	
	No.	Rs.Lakhs	No.	Rs. Lakhs
At the beginning of the year	4,600,000	460.00	4,600,000	460.00
Outstanding at the end of the year	4,600,000	460.00	4,600,000	460.00

(c) **Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates**

Out of equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries / associates are as below:

	March 31, 2022 (Rs. Lakhs)	March 31, 2021 (Rs. Lakhs)
CommScope Connectivity LLC 3,104,360 (March 31, 2021: 3,104,360) equity shares of Rs.10 each fully paid up	310.44	310.44
CommScope Technologies LLC 208,677 (March 31, 2021: 208,677) equity shares of Rs.10 each fully paid up	20.87	20.87

(d) **Details of shareholders holding more than 5% shares in the Company**

	March 31, 2022		March 31, 2021	
	No.	% holding	No.	% holding
Equity shares of Rs.10 each fully paid CommScope Connectivity LLC	3,104,360	67.49%	3,104,360	67.49%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(e) Shareholding of Promoter

Promoter Name	Shares held as at March 31, 2022		Shares held as at March 31, 2021		Percentage change during the year
	No.	% holding	No.	% holding	
CommScope Connectivity LLC	3,104,360	67.49%	3,104,360	67.49%	-

		As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
12	Other equity		
	A) General reserve	776.39	776.39
	Balance as per last financial statements		
	Add: Amount transferred from surplus balance in the statement of profit and loss		
	Transfer from Statement of Profit and Loss		
	Closing Balance	776.39	776.39
	B) Surplus in the Statement of Profit and Loss		
	Balance as per last financial statements	3,050.70	2,781.08
	Profit for the year	848.26	362.38
	Add / (less): Gain / (loss) on Remeasurements of defined benefit plans (net of tax)	3.53	(0.76)
	Less: Appropriations		
	Payment of dividend on equity shares	115.00	92.00
	Total appropriations	115.00	92.00
	Net surplus in the Statement of Profit and Loss	3,787.49	3,050.70
	Total other equity (A + B)	4,563.88	3,827.09

2021-22

The Board of Directors at its meeting on May 27, 2022 has recommended a final dividend of Rs 4 per equity share of par value Rs.10 each and a one time special dividend of Rs.10 per equity share for the financial year ended March 31, 2022, subject to the approval of the shareholders at the next Annual General meeting of the Company.

2021-22

The Board of Directors at its meeting on May 24, 2021 had recommended a final dividend of Rs 2.5 per equity share of par value Rs.10 each for the financial year ended March 31, 2021 which was approved by the shareholders at the Thirty third Annual General meeting of the Company held on July 30, 2021.

General Reserve - The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

Retained earnings - Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity share holders.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
13	Provisions		
	Employee benefits (Long term)		
	Provision for compensated absences	19.98	19.56
	Employee benefits (Short term)		
	Provision for compensated absences	2.78	3.59
		22.76	23.15
	Current	2.78	3.59
	Non-current	19.98	19.56
	Total	22.76	23.15

		As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
14	Trade payables		
	(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 33)	59.17	26.94
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,369.69	2,101.93
		2,428.86	2,128.87

Trade Receivable aging schedule

Particulars	As at March 31, 2022		As at March 31, 2021	
	MSME	Others	MSME	Others
Balance outstanding which are overdue for:				
Not due	54.53	1,179.18	26.94	910.60
Less than 1 Year	4.64	1,190.51	-	1,191.33
1-2 Years	-	-	-	-
2-3 Years	-	-	-	-
More than 3 Years	-	-	-	-
Total	59.17	2,369.69	26.94	2,101.93

		As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
15	Current tax liability (Net)		
	Current tax payable	274.64	133.95
	Less: Advance tax and TDS	(270.52)	(115.31)
		4.12	18.64

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
16	Other liabilities		
	Current		
	Advance from customers	0.30	1.02
	Gratuity payable (Refer note 29)	61.71	58.75
	Statutory liabilities	23.09	11.20
	Total	85.10	70.97
		For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
17	Revenue from operations		
	Sale of products		
	Finished Goods	559.32	617.37
	Traded Goods	11,326.78	5,347.51
		11,886.10	5,964.88
	Other operating revenue		
	Scrap Sales	6.19	19.22
	Freight recovered	0.22	1.86
	Revenue from operations	11,892.51	5,985.96
		For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
	Detail of products sold		
	Finished goods sold		
	Telecom products/connectors, accessories	367.09	513.44
	Tools	10.36	23.45
	Patch cords	181.87	80.48
		559.32	617.37
	Traded goods sold		
	Cables	7,342.62	3,216.54
	Connector and patch cords	2,714.86	1,861.56
	Others	1,269.30	269.41
		11,326.78	5,347.51

Disaggregate revenue information

The table below presents disaggregated revenues from contracts with customers for the year ended March 31, 2022 by nature of products sold. The Company believe that this disaggregation best depicts how the nature, amount, timing and uncertainty of revenues and cash flows are affected by industry, market and other economic factors.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
	Telecommunication	751.42	634.53
	IT-Networking	11,141.09	5,351.43
	Total	11,892.51	5,985.96

Trade Receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables as a trade receivable. A receivable is a right to consideration that is unconditional upon passage of time. Revenue for revenue contracts are recognized at a point in time when the Company transfers control over the product to the customer.

Trade receivable are presented net of impairment in the Balance Sheet.

		For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
18	Other income		
	Interest income:		
	- On bank deposits	48.72	59.31
	- On Income tax refund	17.38	-
	Miscellaneous income	2.13	0.37
	Profit on sale of property, plant and equipment	-	2.23
	Reversal of provision for doubtful receivables/advances	43.21	26.17
	Net foreign exchange gain	0.28	6.16
		111.72	94.24

		For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
19	Cost of raw materials, components, packing materials and services consumed:		
	Inventory at the beginning of the year	75.39	80.75
	Add: Purchases	529.75	297.01
		605.14	377.76
	Less: inventory at the end of the year	187.69	75.39
	Total	417.45	302.37
	Details of raw materials components, packing materials and services consumed:		
	PCB Assy-CAT6	154.18	73.56
	Special Alloy	13.75	34.26
	Contacts	43.02	13.12
	UTP Info Outlets	14.30	1.75
	Others	192.20	179.68
		417.45	302.37

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
20	Details of purchase of traded goods		
	Cables	7,094.93	2,994.22
	Connector and Patch Cords	755.67	583.66
	Others	1,587.73	1,101.85
		<u>9,438.33</u>	<u>4,679.73</u>

		For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
21	(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods		
	Inventories at the end of the year		
	Traded goods	836.52	940.66
	Work-in-progress	3.71	4.36
	Finished goods	180.73	109.88
		<u>1,020.96</u>	<u>1,054.90</u>
	Inventories at the beginning of the year		
	Traded goods	940.66	444.84
	Work-in-progress	4.36	1.51
	Finished goods	109.88	267.39
		<u>1,054.90</u>	<u>713.74</u>
	Total	<u>33.94</u>	<u>(341.16)</u>

		For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
22	Employee benefit expense		
	Salaries, wages and bonus	361.98	329.75
	Contribution to provident and other funds (Refer note 29)	33.20	31.33
	Staff welfare expenses	7.53	5.83
		<u>402.71</u>	<u>366.91</u>

		For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
23	Finance cost		
	Interest expense on		
	- Lease liabilities	-	0.11
	- Other taxes	1.43	3.00
		<u>1.43</u>	<u>3.11</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
24	Depreciation and amortization expense		
	Depreciation of property, plant and equipment (refer note 4)	30.85	37.10
	Depreciation on Right-of-use assets	-	14.10
		<u>30.85</u>	<u>51.20</u>

		For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
25	Other expenses		
	Power and fuel	13.75	13.10
	Repairs and maintenance		
	Plant and machinery	16.80	14.34
	Buildings	2.67	8.75
	Others	55.50	63.17
	Rent	-	16.93
	Rates and taxes	19.88	29.49
	Insurance	14.60	8.97
	Professional and consultancy charges	83.30	107.38
	Expenditure on Corporate Social Responsibility (Refer Note 34)	13.00	14.00
	Remuneration to auditors (refer details below)	19.57	22.00
	Telephone and communication	6.78	7.11
	Advertisement and sales promotion	12.85	2.89
	Travelling and conveyance	12.47	14.64
	Freight outwards	193.46	96.76
	Provision for doubtful advances	-	2.00
	Provision for doubtful trade receivables	-	6.47
	Bad trade receivables written off	10.94	0.55
	Director Sitting Fees	19.40	20.05
	Security Services	17.99	23.07
	Miscellaneous expenses	29.75	22.69
		<u>542.71</u>	<u>494.36</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Remuneration to auditors		
For Audit (including fees for limited reviews)	19.00	19.00
For Taxation matters	-	3.00
Reimbursement of expenses	0.57	-
	19.57	22.00

26. Current Tax and Deferred Tax**Income Tax recognised in Statement of profit and loss**

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Current Tax:		
In respect of current year	274.10	132.60
In respect of prior years	(0.11)	6.30
Deferred Tax:		
In respect of current year	14.56	22.40
Total income tax expense recognised in the Statement of profit and loss	288.55	161.30

Movement in deferred tax balances

Particulars	For the year ended March 31, 2022			
	Opening Balance (Rs. Lakhs)	Recognised in Profit and Loss (Rs. Lakhs)	Recognised in Other Comprehensive Income (Rs. Lakhs)	Closing Balance (Rs. Lakhs)
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, Plant and Equipment	(0.25)	1.55	-	1.30
	(0.25)	1.55	-	1.30
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits and other provisions	44.97	(16.10)	(1.19)	27.68
	44.97	(16.10)	(1.19)	27.68
Net Deferred Tax Asset / (Liabilities)	44.72	(14.55)	(1.19)	28.98

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Particulars	For the year ended March 31, 2021			
	Opening Balance (Rs. Lakhs)	Recognised in Profit and Loss (Rs. Lakhs)	Recognised in Other Comprehensive Income (Rs. Lakhs)	Closing Balance (Rs. Lakhs)
<u>Tax effect of items constituting deferred tax liabilities</u>				
Property, Plant and Equipment	14.44	(14.69)	-	(0.25)
	14.44	(14.69)	-	(0.25)
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits and other provisions	52.43	(7.71)	0.25	44.97
	52.43	(7.71)	0.25	44.97
Net Deferred Tax Asset / (Liabilities)	66.87	(22.40)	0.25	44.72

The reconciliation between the income tax expense and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Profit before tax	1,136.81	523.68
Enacted income tax rate in India	25.168%	25.168%
Computed expected tax expense	286.11	131.80
Effect on account of non-deductible expenses under income tax	3.62	6.03
Impact of change in tax position	-	16.17
Tax related to earlier years	(0.11)	6.30
Others	(1.07)	0.99
Income tax expense recognised in Statement of profit and loss	288.55	161.30

27. Segment Information
(i) Products and services from which reportable segments derive their revenues

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker (CODM) in deciding how to allocate resources and assessing performance. The Company's CODM is Managing Director.

Information reported to the CODM for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided in respect of the 'Telecommunication' and 'IT - Networking'.

Specifically, the Company's reportable segments under Ind AS 108 are as follows:

Telecommunication: Manufacturing and trading of Telecom products.

IT - Networking: Manufacturing and trading of IT-Networking products.

Aggregation criteria is not applied for any segment reported to the CODM.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(ii) Segment revenues and results

The following is an analysis of the Company's revenue and results by reportable segment.

(Amount in Rs. Lakhs)

	For the year ended March 31, 2022				For the year ended March 31, 2021			
	Telecommunication	IT - Networking	Unallocable	Total	Telecommunication	IT - Networking	Unallocable	Total
Inter-Segmental revenue	-	-	-	-	-	-	-	-
Revenue from external customers	751.42	11,141.09	-	11,892.51	634.53	5,351.43	-	5,985.96
Total segment revenue	751.42	11,141.09	-	11,892.51	634.53	5,351.43	-	5,985.96
Segment results-EBITDA (Earnings before interest, taxes, depreciation and amortization)	70.40	1,032.60	66.10	1,169.10	58.68	459.99	59.31	577.98
Finance costs	0.09	1.34	-	1.43	0.33	2.78	-	3.11
Depreciation and amortization expense	1.95	28.90	-	30.85	5.41	45.78	-	51.19
Profit before income tax	68.36	1,002.36	66.10	1,136.81	52.94	411.43	59.31	523.68

(iii) Segment assets and liabilities

(Amount in Rs. Lakhs)

	As at March 31, 2022				As at March 31, 2021			
	Telecommunication	IT - Networking	Unallocable	Total	Telecommunication	IT - Networking	Unallocable	Total
Segment assets								
Segment assets	429.55	3,226.83	-	3,656.38	396.15	3,006.16	-	3,402.31
Unallocable assets								
Cash and bank balances	-	-	3,551.18	3,551.18	-	-	2,809.73	2,809.73
Interest accrued on fixed deposits	-	-	6.89	6.89	-	-	4.02	4.02
Total assets	429.55	3,226.83	3,558.07	7,214.45	396.15	3,006.16	2,813.75	6,216.06
Segment liabilities								
Segment liabilities	160.60	2,376.12	-	2,536.72	235.40	1,987.59	-	2,222.99
Unallocable liabilities								
Unpaid dividends	-	-	-	-	-	-	-	-
Total liabilities	160.60	2,376.12	-	2,536.72	235.40	1,987.59	-	2,222.99

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(iv) Revenue from major products and services (Amount in Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Telecom products/connectors, accessories	367.09	513.44
Tools	10.36	23.45
Cables	7,342.62	3,216.54
Connector and patch cords	2,896.73	1,942.04

(v) Geographical information

The geographical segments individually contributing 10 percent or more of the Company's revenues and segment assets are shown separately in the table below. Segment revenues has been disclosed based on geographical location of the customers. Segment assets has been disclosed based on the geographical location of the respective assets.

Revenue from external customers (Amount in Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
From India	11,792.46	5,935.61
From Other countries	100.05	50.35
	11,892.51	5,985.96

Non current assets (Amount in Rs. Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
In India	704.27	730.40
In Other countries	-	-
	704.27	730.40

(vi) Information about major customers (Amount in Rs. Lakhs)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue from top three customers	10,741.32	5,114.63

Two customer contributed 10% or more to Company's revenues for 2021-22.

28. Earnings per share Basic / Diluted earnings per equity share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Nominal value of equity share (Rs.)	10	10
Profit for the year (Rs. Lakhs) - (A)	848	362
Weighted average number of shares outstanding (B)	4,600,000	4,600,000
Basic and Diluted earnings per share (Rs.) - (A/B)	18.44	7.87

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**29. Employee benefit plans****Defined contribution plans**

The Company makes Provident fund and Superannuation fund which are defined contribution plans, for qualifying employees. Under the said schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognises the amount paid / payable to such funds in the Statement of Profit and Loss. The contributions made by the Company towards these schemes are as follows:

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Employer's contribution to Provident fund	12.31	11.85
Employer's contribution to Superannuation and NPS fund	13.21	12.35

Defined benefit plans

The Company offers gratuity, a defined employee benefit scheme to its employees. Following are the risks associated with the plan:

A. Actuarial Risk:

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption then the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption then the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B. Investment Risk:

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C. Liquidity Risk:

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

D. Market Risk:

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E. Legislative Risk:

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

No other post-retirement benefits are provided to these employees.

The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Disclosure of Defined Benefit Cost for the year ended March 31, 2022 and year ended March 31, 2021

Components of Employer Expense

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Current service cost	3.68	3.71
Past service cost and loss/(gain) on curtailments and settlement Past service cost - plan amendments	-	-
Service cost	3.68	3.71
Net interest on net defined benefit liability / (asset)	4.00	3.41
Total included in 'Employee Benefit Expense'	7.68	7.12
Expenses deducted from the fund	-	-
Total Charge to Statement of Profit & Loss	7.68	7.12

Other Comprehensive Income (OCI)

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Opening amount recognized in OCI outside profit and loss account	16.98	15.97
Actuarial (gain)/loss due to experience adjustments	(3.01)	(0.49)
Actuarial (gain)/loss due to change in financial assumptions	(1.46)	(0.52)
Actuarial (gain)/loss due to change in demographic assumptions	-	-
Actuarial (gain)/loss arising during period	(4.47)	(1.01)
Actual return on plan assets less interest on plan assets	(0.25)	2.01
Actuarial (gains)/ losses recognized in OCI	12.26	16.98

Key Assumptions

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Discount Rate	6.95%	6.80%
Salary growth rate	10.00%	10.00%

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Net Balance Sheet position

Particulars	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
Defined benefit obligation (DBO)	(131.89)	(131.39)
Fair value of plan assets (FVA)	70.18	72.64
Funded status [surplus/(deficit)]	(61.71)	(58.75)
Net defined benefit asset/ (liability)	(61.71)	(58.75)

Reconciliation of Net Balance Sheet Position

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Opening net defined asset/(liability)	(58.75)	(50.62)
Charge to Statement of Profit & Loss	(7.68)	(7.12)
Amount recognised in OCI	4.72	(1.01)
	(61.71)	(58.75)
Employer contributions	-	-
Net defined benefit asset/ (liability) at end of current period	(61.71)	(58.75)

**Disclosure of Defined Benefit Cost for the year ended March 31, 2022 and year ended March 31, 2021
Change in Defined Benefit Obligation (DBO)**

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Opening of DBO	131.39	120.75
Current service cost	3.68	3.71
Interest cost on the DBO	8.68	7.93
Remeasurements due to:		
Actuarial (gain)/loss due to experience adjustments	(3.01)	(0.49)
Actuarial (gain)/loss due to change in financial assumptions	(1.46)	(0.52)
Actuarial (gain)/loss due to change in demographic assumptions	-	-
Benefits paid directly by the Company	(7.39)	-
DBO at end of current period	131.89	131.39

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Change in Fair Value of Assets

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Opening fair value of plan assets	72.63	70.13
Interest income on plan assets	4.69	4.51
Employer contributions	-	-
Remeasurement due to Actual return on plan asset less interest on plan assets	0.25	(2.01)
Benefits paid	(7.39)	-
Fair Value of assets at the end of current period	70.18	72.63

Plan Asset Information

Particulars	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
Insurer managed funds (Unquoted)	70.18	72.63
Total	70.18	72.63

Current and Non Current Liability portion

Particulars	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
Current Asset / (Liability)	(61.71)	(58.75)
Non Current Asset/ (Liability)	-	-
Net Asset/(Liability)	(61.71)	(58.75)

Sensitivity Analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the impact in percentage terms on the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points.

	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Discount Rate		
Impact of increase in 50 bps on DBO	(3.56%)	(3.82%)
Impact of decrease in 50 bps on DBO	3.75%	4.04%
Salary escalation rate		
Impact of increase in 50 bps on DBO	2.14%	2.30%
Impact of decrease in 50 bps on DBO	(2.05%)	(2.19%)

These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**30. Financial Instruments****Capital management**

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders. The capital structure of the company consists of equity only. The management of the Company reviews the capital structure of the company on a semi-annual basis. The Company is not subject to any externally imposed capital requirements.

Categories of financial instruments

Particulars	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
Financial assets		
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at fair value through Other Comprehensive Income (FVTOCI)	-	-
Measured at amortised cost		
(a) Cash and bank balances	3,551.18	2,809.73
(b) Other financial assets (including trade receivables)	2,031.03	1,801.85
Financial liabilities		
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at fair value through Other Comprehensive Income (FVTOCI)	-	-
Measured at amortised cost		
(a) Other financial liabilities (including trade payables)	2,428.86	2,128.87

Financial risk management objectives

The Company's risk management is carried out by Treasury department under policies laid down by the management. The Company's activities expose it to market risk (which includes currency risk only), credit risk and liquidity risk. Treasury department monitors the risk exposures on a periodical basis and reports to the Board of directors on the risks that it monitors and policies implemented to mitigate risk exposures.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary liabilities (Trade payables) and Assets (Trade receivables) at the end of the reporting period are as follows.

Currency	Trade receivables	
	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
USD	-	43.05

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Currency	Trade payables	
	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
USD	149.62	152.50
Euro	-	16.90

Foreign currency sensitivity analysis

The Company is exposed to the currencies USD and Euro on account of outstanding trade payables.

The following table details the Company's sensitivity to a 5% increase and decrease in INR against the USD and Euro. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A negative number below indicates a decrease in profit or equity where the INR weakens 5% against the relevant currency. For a 5% strengthening of the INR against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be positive.

Particulars	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
Impact on profit or loss for the year	(7.48)	(6.24)
Impact on total equity as at the end of the reporting period	(7.48)	(6.24)

Interest rate risk

The company has not availed any loan from bank or any other parties. Hence company is not exposed to interest rate risk.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The Company monitors its trade receivables on case to case basis based on the ageing of the days the receivables are due. The concentration of credit risk is with two major customers constituting 80% of trade receivables. This credit risk did not exceed 29% of gross monetary assets at any time during the year. The Company does not hold any collaterals to cover its risk associated with trade receivables.

Credit risk also arises from cash and cash equivalents, financial instruments and deposits with banks and financial institutions. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**Reconciliation of loss allowances provision - Trade receivables**

Particulars	Amount (Rs. Lakhs)
Loss allowance on March 31, 2021	42.63
Change in loss allowance	(36.29)
Loss allowance on March 31, 2022	6.34

Liquidity risk

Liquidity risk is the risk that the company could be unable to meet its short term financial demands.

Liquidity analysis for non derivative financial liabilities-

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company is required to pay.

March 31, 2022**Due within (years)**

Financial Liabilities	Less than 1 year Rs. Lakhs	More than 1 year Rs. Lakhs	Total Rs. Lakhs	Carrying amount Rs. Lakhs
Trade payables	2,428.86	-	2,428.86	2,428.86
Total	2,428.86	-	2,428.86	2,428.86

March 31, 2021**Due within (years)**

Financial Liabilities	Less than 1 year Rs. Lakhs	More than 1 year Rs. Lakhs	Total Rs. Lakhs	Carrying amount Rs. Lakhs
Trade payables	2,128.87	-	2,128.87	2,128.87
Total	2,128.87	-	2,128.87	2,128.87

The management considers that the carrying amount of financial assets and financial liabilities recognised in these financial statements approximate their fair values.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

31. Related Party Disclosures

Names of related parties and related party relationship

i) Key managerial personnel (KMP)

Mr. J N Mylaraiah, Managing Director

Mr. S Devarajan

Ms. Revathy Ashok

Ms. Vijaya Latha Reddy

Mr. Ravi Bosco Rebello

Ms. Yaman Roy

ii) Related parties where control exists

Holding Company	CommScope Connectivity LLC
Ultimate Holding Company	CommScope Holding Company, Inc.

iii) Related Parties with whom transactions have taken place during the year

Fellow Subsidiaries	CommScope Technologies LLC CommScope India Pvt Ltd. CommScope Solutions India Pvt Ltd. CommScope Networks India Pvt Ltd.
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**Transactions with related parties****(Amount in Rs. Lakhs)**

Nature of Transactions	Fellow Subsidiaries		KMP / Relatives of KMP	
	For the year ended 31-Mar-22	For the year ended 31-Mar-21	For the year ended 31-Mar-22	For the year ended 31-Mar-21
Sale of products				
CommScope India Pvt Ltd.	276.53	190.64	-	-
Purchase of goods / services				
CommScope Technologies LLC	-	-	-	-
CommScope India Pvt Ltd.	4,932.97	2,903.12	-	-
CommScope Solutions India Pvt Ltd.	-	-	-	-
Sales Commission				
CommScope India Pvt Ltd.	202.17	46.01	-	-
Reimbursement of expenses				
CommScope Networks India Pvt Ltd.	0.09	-	-	-
Managerial Remuneration				
Mr. Mylariaiah	-	-	70.19	70.19
Sitting Fees Paid				
Mr. S Devarajan	-	-	7.00	8.80
Ms. Revathy Ashok	-	-	6.70	8.40
Ms. Vijaya Latha Reddy	-	-	5.70	2.85

Balances with related parties**(Amount in Rs. Lakhs)**

	Fellow Subsidiaries	
	As at March 31, 2022	As at March 31, 2021
Balance of trade payables		
CommScope Technologies LLC	6.66	7.21
CommScope India Pvt Ltd.	741.77	1,256.57

The remuneration of directors and other members of key management personnel during the year was as follows:

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
Short-term benefits	63.60	63.60
Post-employment benefits	6.59	6.59
Other long-term benefits	-	-
Share-based payments	-	-
Termination benefits	-	-
Total	70.19	70.19

1. No amounts in respect of related parties have been written off / back or provided for during the year.
2. Related party relationships have been identified by the Management and relied upon by the auditors.
3. The above amounts exclude reimbursement of expenses paid to / received from related parties.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

32. Contingent Liabilities-Claims against the company not acknowledged as debt

Particulars	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
Central sales tax demands contested by the Company	-	14.06
Income Tax demands contested by the Company	228.32	470.10
Customs duty, excise duty & service tax demand contested by the Company	214.73	214.73
TOTAL	443.05	698.89

The Company had received an assessment order u/s 143(3) for FY 2017-18 with Nil adjustments to the returned Income. However in the Computation sheet there was an addition to the Business Income to an extent of Rs.280,80 lakhs which resulted in an erroneous demand of Rs. Rs.122.32 lakhs. Further, there was also an additional liability of Rs.39.61 lakhs due to non-grant of dividend distribution tax credits. The Company has filed rectification application with the Jurisdictional AO and also appeals with CIT(A).

The Company had received an order for FY 2013-2017 with respect to incorrect availment of CENVAT input credit amounting to Rs.214.73. The same pertains to availment of input credit on proportionate basis for common services and availment of input credit on trading activities. The Company has filed an appeal with Central Excise, Service Tax Appellate Tribunal (CESTAT).

Management believes that the position taken by it on these matter is tenable and hence, no adjustment has been made to the financial statements.

33. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at March 31, 2022 (Rs. Lakhs)	As at March 31, 2021 (Rs. Lakhs)
(a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year. Principal amount due to micro and small enterprises: Interest due on above:	59.17 -	26.94 -
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	0.83	0.23
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	16.12	15.29
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

34. Corporate Social Responsibility

The Company's CSR activities primarily focuses on environment, health and wellness, education, technology and disaster relief.

Particulars	For the year ended March 31, 2022 (Rs. Lakhs)	For the year ended March 31, 2021 (Rs. Lakhs)
(a) Amount required to be spent by the Company during the year	12.70	13.21
(b) Amount of expenditure incurred on purpose other than construction/ acquisition of any asset	13.00	14.00
(c) Excess spend of prior years set off during the year	-	-
(d) Shortfall at the end of the year [(d)=(a)-(b)-(c)]	-	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall	NA	NA

35.

Particulars	Numerator	Denominator	2021-22	2020-21
Current ratio	Current Assets	Current Liabilities	2.72	2.61
Debt - Equity Ratio	Total Debt	Shareholder's Equity	NA	NA
Debt Service Coverage Ratio	Earnings available for Debt Services	Debt Service	NA	NA
Return on Equity @	Net Profits after Taxes - Preference Dividend(if any)	Average Shareholder's Equity	1.84	0.79
Inventory Turnover Ratio #	Cost of goods sold or Sale	Average Inventory	8.46	4.82
Trade receivables turnover Ratio \$	Net Credit Sales	Average Accounts Receivable	6.26	3.86
Trade payables turnover Ratio ^	Net Credit Purchases	Average Trade Payables	4.34	2.67
Net capital turnover Ratio *	Net Sales	Working Capital	2.74	1.67
Net profit ratio	Net Profit	Net Sales	0.07	0.06
Return on capital employed ratio @@	Earning before interest & taxes	Capital Employed	0.23	0.12
Return on Investment	Other Income (Excluding Dividend)	Average Cash, Cash equivalents & Other marketable securities	0.02	0.02

@ The performance of the Company had been impacted in the previous year on account of Covid-19. The management had put in place various measures to improve performance leading to improved Return on Equity in the current year.

The inventory turnover ratio in the previous year was lower mainly on account of the impact of the Covid-19 related lockdowns and resultant sluggish economic conditions.

\$ The trade receivables turnover ratio in the previous year was lower mainly on account of the impact of the Covid-19 related lockdowns and resultant sluggish economic conditions.

^ The trade payables turnover ratio in the previous year was lower mainly on account of the impact of the Covid-19 related lockdowns and resultant sluggish economic conditions.

* The performance of the Company had been impacted in the previous year on account of Covid-19. The

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

management had put in place various measures to improve performance leading to improved Net capital turnover ratio in the current year.

@@ The performance of the Company had been impacted in the previous year on account of Covid-19. The management had put in place various measures to improve performance leading to improved return on capital ratio in the current year.

36. Additional regulatory information not disclosed elsewhere in the financial statements

- (i) As per section 248 of the Companies Act, 2013, there are no balances outstanding or transactions with struck off companies.
 - (ii) The Company has not traded / invested in Crypto currency or virtual currency.
 - (iii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall.
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
 - (iv) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall.
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (v) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
 - (vi) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.
 - (vii) The Company is not a declared wilful defaulter by any bank or financial Institution or other lender.
37. The Company has evaluated impact of COVID-19 in assessing the recoverability of inventories and receivables based on its review of current indicators of future economic conditions. The Company continues to focus on maintaining its liquidity and expects a gradual recovery of demand and supply in future months. Based on such assessment, the Company expects to recover carrying values of such assets. The eventual outcome of the impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of these results and the Company will continue to closely monitor any material changes to future economic conditions and assess its impact on operations.
38. The Board of Directors of the Company has recommended a final dividend of Rs.4 per share and one time special dividend of Rs.10 per share for the financial year 2021-22, subject to the approval of the shareholders in the next Annual General Meeting.
39. The financial statements were authorized for issuance by the Company's Board of Directors on May 27, 2022

For and on behalf of the Board of Directors of ADC India Communications Limited

S.Devarajan
Chairman and Director

Mylaraiah J.N
Managing Director

Rakesh Bhanushali
Chief Financial Officer

R. Ganesh
Company Secretary

Place: Bangalore
Date : May 27, 2022



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