



ADC/2022-23/FR.

May 26, 2023

**Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001**

Dear Sir/Madam

Sub: Outcome of Board Meeting

Ref: Scrip Code: 523411

Further to our letter dated May 2, 2023, we write to inform you that the Board of Directors of the Company at their meeting held today i.e., May 26, 2023 has considered and approved the following:

Financial Results

Approved the audited financial results of the Company for the quarter and year ended March 31, 2023.

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

1. Audited financial results of the Company for the quarter and year ended March 31, 2023.
2. Independent Auditors Report with respect to the above financial results.

Further, pursuant to Regulation 33(3)(d) of the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, we hereby declare that the Statutory Auditors of the Company, M/s. S R B C & CO LLP have issued the Audit Report with unmodified opinion on the financial results of the Company for the year ended March 31, 2023.

Dividend

Recommended a dividend of Rs. 4.00 per equity share of the face value Rs.10/- each for the financial year ended March 31, 2023, subject to approval by the Shareholders at the 35th Annual General Meeting. The dividend, if approved by the Shareholders will be paid on or after August 10, 2023.

Annual General Meeting

Approved convening of the 35th Annual General Meeting of the Members of the Company on Monday, July 31, 2023 through Video Conferencing / Other Audio-Visual Means (VC/OAVM).

Closure of Register of Members and Share Transfer Books

Approved the closure of the Register of Members and the Share Transfer Books of the Company from July 25, 2023 to July 31, 2023 (both days inclusive) for the purposes of the Annual General Meeting and payment of dividend.

ADC India Communications Limited

CIN: L32209KA1988PLC009313

**Regd. Office & Factory: No.10C, 2nd Phase, 1st Main, P.B.No. 5812, Peenya Industrial Area
Bangalore – 560 058. Tel +91 80 2839 6102 / 2839 6291**

Email: support@adckcl.com Website: www.adckcl.com



The Board Meeting commenced at 6.15 p.m. and concluded at 7.20 p.m.

The above information will be made available on the Company's website at www.adckcl.com.

This is for your information and records.

Thanking you,

Yours faithfully,

For ADC India Communications Limited

R. Ganesh
Company Secretary

ADC India Communications Limited

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Independent Auditor's Report on the Quarterly and Year to Date Audited Financial Results of ADC India Communications Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
ADC India Communications Limited

Report on the audit of the Financial Results**Opinion**

We have audited the accompanying statement of quarterly and year to date financial results of ADC India Communications Limited (the "Company") for the quarter ended March 31, 2023 and for the year ended March 31, 2023 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the applicable accounting standards and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information of the Company for the quarter ended March 31, 2023 and of the net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Results

The Statement has been prepared on the basis of the annual financial statements. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.



ADC India Communications Limited

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This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

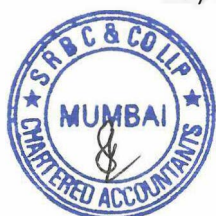
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

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

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 Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 with reference to financial statements 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 Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 results 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.



ADC India Communications Limited
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- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.

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.

Other Matter

The comparative financial information of the Company for the corresponding quarter and year ended March 31, 2022, included in these financial results, were audited by the predecessor auditor who expressed an unmodified opinion on those financial information on May 27, 2022.

The Statement includes the results for the quarter ended March 31, 2023 being the balancing figure between the audited figures in respect of the full financial year ended March 31, 2023 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by us, as required under the Listing Regulations.

For SRBC & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003



per Suresh Yadav
Partner
Membership No.: 119878
UDIN: 23119878BGTTCRI2958



Place: Mumbai
Date: May 26, 2023

Statement of Audited Financial Results for the quarter and year ended March 31, 2023

(Rs. In Lakhs except Earning per share)

| Sl. No. | Particulars | Quarter ended | | | Year ended | |
|---------|--|---------------------------|-----------------|---------------------------|------------------|------------------|
| | | 31-Mar-23 | 31-Dec-22 | 31-Mar-22 | 31-Mar-23 | 31-Mar-22 |
| | | Audited (Refer Note 5) | Unaudited | Audited (Refer Note 5) | Audited | Audited |
| 1 | Income | | | | | |
| | Revenue from operations | 3,451.61 | 3,839.32 | 3,445.29 | 14,291.25 | 12,071.28 |
| | Other income | 19.02 | 25.94 | 25.73 | 109.99 | 111.72 |
| | Total income | 3,470.63 | 3,865.26 | 3,471.02 | 14,401.24 | 12,183.00 |
| 2 | Expenses | | | | | |
| | Cost of materials consumed | 129.61 | 106.58 | 143.91 | 458.54 | 417.45 |
| | Purchase of stock-in-trade | 2,848.22 | 2,553.51 | 2,496.59 | 11,616.10 | 9,438.33 |
| | Changes in inventories of finished goods, stock-in-trade and work in progress | (474.41) | 428.76 | 126.87 | (684.03) | 33.94 |
| | Employee benefits expense | 119.15 | 101.62 | 109.46 | 428.70 | 402.71 |
| | Finance costs | 7.77 | 0.32 | 1.38 | 8.72 | 1.43 |
| | Depreciation and amortisation expense | 5.11 | 5.16 | 5.81 | 20.99 | 30.85 |
| | Other expenses (Refer Note 3) | 941.79 | 160.18 | 197.69 | 1,447.31 | 721.48 |
| | Total Expenses | 3,577.24 | 3,356.13 | 3,081.71 | 13,296.33 | 11,046.19 |
| 3 | Profit / (Loss) before tax (1-2) | (106.61) | 509.13 | 389.31 | 1,104.91 | 1,136.81 |
| 4 | Tax expense | | | | | |
| | Current tax | 168.70 | 122.90 | 82.99 | 478.90 | 273.99 |
| | Taxes relating to earlier years | 0.13 | - | - | 3.23 | - |
| | Deferred tax (credit) / charge | (191.78) | 4.55 | 15.70 | (194.71) | 14.56 |
| | Total tax expense | (22.87) | 127.45 | 98.69 | 287.42 | 288.55 |
| 5 | Net profit / (loss) after tax (3-4) | (83.74) | 381.68 | 290.62 | 817.49 | 848.26 |
| 6 | Other Comprehensive Income | | | | | |
| | (i) Items that will not be reclassified to profit or loss | 1.40 | 0.22 | 1.02 | 0.45 | 4.72 |
| | (ii) Income tax relating to items to that will not be reclassified to profit or loss | (0.35) | (0.83) | (0.26) | (0.11) | (1.19) |
| | Total Other Comprehensive Income | 1.05 | (0.61) | 0.76 | 0.34 | 3.53 |
| 7 | Total Comprehensive Income / (Loss) (comprising Profit / (Loss) and Other Comprehensive Income) (5+6) | (82.69) | 381.07 | 291.38 | 817.83 | 851.79 |
| 8 | Paid-up equity share capital (Equity share of face value of Rs. 10 each) | 460.00 | 460.00 | 460.00 | 460.00 | 460.00 |
| 9 | Other Equity | - | - | - | 4,737.70 | 4,563.88 |
| 10 | Earnings per share (EPS) (Not Annualised) | | | | | |
| | Basic / Diluted EPS | (1.82) | 8.30 | 6.32 | 17.77 | 18.44 |

- The Audited financial results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at its meeting held on May 26, 2023.
- The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette in September 2020 which could impact the contribution by the Company towards certain employment benefits. The effective date from which the changes and rules would become applicable is yet to be notified. Impact of the changes will be assessed and accounted in the relevant period of notification of relevant provisions.
- During the quarter ended March 31, 2023 the Company has recorded a provision of INR 775.34 lakhs towards outstanding dues from one of its large customers who is undergoing stressful liquidity conditions. The Company is taking necessary steps to recover its dues and believes that provision recognised based on management's current estimate is adequate.
- Previous period / year figures have been regrouped / reclassified wherever necessary.
- The figures for the quarter ended March 31, 2023 and March 31, 2022 are the balancing figures between the audited figures in respect of the full financial year and published year to date figures upto third quarter of the relevant financial year.
- The Board of Directors has recommended a dividend of Rs. 4 (Rupees four only) per share equity share of Rs 10 each for the year ended 31 March 2023 subject to the approval of the members at the ensuing Annual General Meeting.

Place : Bangalore
Date : May 26, 2023



By Order of the Board of Directors



Statement of Assets and Liabilities as at March 31, 2023

| Particulars | (Rs. In Lakhs) | |
|--|-----------------------------------|-----------------------------------|
| | As at 31-March-23 (Audited) | As at 31-March-22 (Audited) |
| ASSETS | | |
| Non-current assets | | |
| (a) Property, plant and equipment | 299.89 | 303.09 |
| (b) Financial assets | | |
| (i) Other financial assets | 10.80 | 9.56 |
| (c) Deferred tax assets (net) | 223.58 | 28.98 |
| (d) Other non-current assets | 362.74 | 362.64 |
| Total non-current assets | 897.01 | 704.27 |
| Current assets | | |
| (a) Inventories | 2,262.43 | 1,208.65 |
| (b) Financial assets | | |
| (i) Trade receivables | 1,983.44 | 2,014.58 |
| (ii) Cash and Cash equivalents | 2,557.62 | 3,551.18 |
| (iii) Other bank balances | 18.83 | - |
| (iv) Other financial assets | 17.58 | 6.89 |
| (c) Other current assets | 109.13 | 79.15 |
| Total current assets | 6,949.04 | 6,860.45 |
| Total assets | 7,846.05 | 7,564.72 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| (a) Equity share capital | 460.00 | 460.00 |
| (b) Other equity | 4,737.70 | 4,563.88 |
| Total equity | 5,197.70 | 5,023.88 |
| Non-current liabilities | | |
| (a) Provisions | 59.22 | 61.71 |
| Total non-current liabilities | 59.22 | 61.71 |
| Current liabilities | | |
| (a) Financial liabilities | | |
| (i) Trade payables | | |
| (a) Total outstanding dues of micro enterprises and small enterprises | 79.07 | 59.17 |
| (b) Total outstanding dues of creditors other than micro enterprises and small enterprises | 2,364.09 | 2,369.69 |
| (ii) Other financial liabilities | 18.83 | - |
| (b) Provisions | 25.41 | 22.76 |
| (c) Current tax liabilities (Net) | 79.86 | 4.12 |
| (d) Other current liabilities | 21.87 | 23.39 |
| Total current liabilities | 2,589.13 | 2,479.13 |
| Total liabilities | 2,648.35 | 2,540.84 |
| Total equity and liabilities | 7,846.05 | 7,564.72 |

Place : Bangalore
Date : May 26, 2023

**SIGNED FOR IDENTIFICATION
BY**

**S R B C & CO LLP
MUMBAI**

By Order of the Board of Directors

Managing Director



ADC INDIA COMMUNICATIONS LIMITED
CIN: L32209KA1988PLC009313
No.10C, 2nd Phase, 1st Main, P.B. No. 5812, Peenya Industrial Area, Bangalore 560 058
Tel: +91 80 2839 6102 | Website: www.adckcl.com

| Statement of Cash Flows for the year ended March 31, 2023 | | |
|---|--------------------------------------|--------------------------------------|
| Particulars | For the year ended March 31, 2023 | For the year ended March 31, 2022 |
| | Rs. Lakhs (Audited) | Rs. Lakhs (Audited) |
| Cash flow from operating activities | | |
| Profit before tax | 1,104.90 | 1,136.81 |
| Add / (Less) | | |
| Adjustments to reconcile profit before tax to net cash flows | | |
| Depreciation and amortization expense | 20.99 | 30.85 |
| Loss on sale of property, plant and equipment | 0.40 | - |
| Provision / (reversal) for doubtful trade receivables and advances | 772.25 | (43.21) |
| Unrealized foreign exchange (gain) / loss (net) | (0.68) | 2.41 |
| Interest expense | 8.72 | - |
| Interest income | (103.33) | (66.10) |
| Operating profit before working capital changes | 1,803.25 | 1,060.77 |
| Movements in working capital : | | |
| Increase/ (Decrease) in trade payables | 13.82 | 297.58 |
| Increase / (Decrease) in provisions | 0.62 | (0.39) |
| Increase/ (Decrease) in other current liabilities | (1.52) | 18.85 |
| Decrease / (Increase) in inventories | (1,053.78) | (78.36) |
| Decrease / (Increase) in trade receivables | (741.06) | (192.77) |
| Decrease / (Increase) in financial and other assets | (24.86) | 37.50 |
| Cash generated from operations | (3.53) | 1,143.17 |
| Direct taxes paid (net of refunds) | (420.60) | (341.87) |
| Net cash flow from operating activities (A) | (424.13) | 801.30 |
| Cash flows from investing activities | | |
| Purchase of assets, including capital advances | (18.20) | (8.07) |
| Interest received | 89.29 | 63.22 |
| Net cash flow from investing activities (B) | 71.09 | 55.15 |
| Cash flows from financing activities | | |
| Dividends paid on equity shares | (640.38) | (115.00) |
| Finance cost paid | (0.16) | - |
| Net cash flow used in financing activities (C) | (640.54) | (115.00) |
| Net increase / (Decrease) in cash and cash equivalents (A + B + C) | (993.57) | 741.45 |
| Cash and cash equivalents at the beginning of the year | 3,551.18 | 2,809.73 |
| Cash and cash equivalents at the end of the year | 2,557.62 | 3,551.18 |
| Components of cash and cash equivalents | | |
| Balances with banks: | | |
| - in current accounts | 7.62 | 711.18 |
| - in deposit accounts | 2,550.00 | 2,840.00 |
| Total cash and cash equivalents | 2,557.62 | 3,551.18 |

**SIGNED FOR IDENTIFICATION
BY**

**S R B C & CO LLP
MUMBAI**

By Order of the Board of Directors


Managing Director



Place: Bangalore
Date: May 26, 2023

ADC INDIA COMMUNICATIONS LIMITED
CIN: L32209KA1988PLC009313
No.10C, 2nd Phase, 1st Main, P.B. No. 5812, Peenya Industrial Area, Bangalore 560 058
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Segment wise Revenue, Results and Capital Employed under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (as amended)

(Rs. In Lakhs)

| Sl. No. | Particulars | Quarter ended | | | Year ended | |
|----------|--|---------------------------|-----------------|---------------------------|------------------|------------------|
| | | 31-Mar-23 | 31-Dec-22 | 31-Mar-22 | 31-Mar-23 | 31-Mar-22 |
| | | Audited (Refer Note 5) | Unaudited | Audited (Refer Note 5) | Audited | Audited |
| 1 | Segment Revenue | | | | | |
| | a. Telecommunication | 87.70 | 102.11 | 96.70 | 346.02 | 476.57 |
| | b. IT - Networking | 3,363.91 | 3,737.21 | 3,348.59 | 13,945.23 | 11,594.71 |
| | Total | 3,451.61 | 3,839.32 | 3,445.29 | 14,291.25 | 12,071.28 |
| | Less : Inter segment revenue | - | - | - | - | - |
| | Revenue from operations | 3,451.61 | 3,839.32 | 3,445.29 | 14,291.25 | 12,071.28 |
| 2 | Segment Results | | | | | |
| | a. Telecommunication | 4.11 | 14.13 | 22.88 | 54.56 | 61.78 |
| | b. IT - Networking | (109.17) | 474.13 | 361.21 | 990.30 | 1,042.93 |
| | Total | (105.05) | 488.26 | 384.09 | 1,044.87 | 1,104.71 |
| | Add/(Less) : | | | | | |
| | a. Interest income (net) | 19.02 | 25.94 | 14.42 | 103.33 | 66.10 |
| | b. Other un-allocable expenditure net of un-allocable income | (20.59) | (5.07) | (9.20) | (43.30) | (34.00) |
| | Total Profit / (Loss) Before Tax | (106.63) | 509.13 | 389.31 | 1,104.90 | 1,136.81 |
| 3 | Segment Assets | | | | | |
| | a. Telecommunication | 702.25 | 316.99 | 419.29 | 702.25 | 419.29 |
| | b. IT - Networking | 3,994.80 | 3,511.10 | 3,237.07 | 3,994.80 | 3,237.07 |
| | c. Unallocable | 3,149.00 | 3,495.13 | 3,908.24 | 3,149.00 | 3,908.36 |
| | Total | 7,846.05 | 7,323.22 | 7,564.70 | 7,846.05 | 7,564.72 |
| 4 | Segment Liabilities | | | | | |
| | a. Telecommunication | 62.35 | 48.01 | 96.11 | 62.35 | 96.11 |
| | b. IT - Networking | 2,487.31 | 1,953.28 | 2,440.60 | 2,487.31 | 2,440.60 |
| | c. Unallocable | 98.69 | 41.54 | 4.11 | 98.69 | 4.13 |
| | Total | 2,648.35 | 2,042.83 | 2,540.82 | 2,648.35 | 2,540.84 |
| 5 | Capital Employed | | | | | |
| | Segment Assets (3) - Segment Liabilities (4) | 5,197.70 | 5,280.39 | 5,023.88 | 5,197.70 | 5,023.88 |

Notes:

7 The Company has reported segment information as per Indian Accounting Standard 108 "Operating Segments" (Ind AS 108). The identification of segments is consistent with performance assessment and resource allocation by the management and as reviewed by Chief Operating Decision Maker (CODM).

Place : Bangalore
Date : May 26, 2023

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BY 
S R B C & CO LLP
MUMBAI

