

2012

Annual Report

ADC India Communications Ltd.



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BOARD OF DIRECTORS

Mr. Sanjay Handu	-	Managing Director
Mr. S.Viswanath	-	Director
Mr. Tony Gatt	-	Director
Mr. C.P. Rangachar	-	Independent Director
Ms. Revathy Ashok	-	Independent Director
Mr. N. Srinivasan	-	Independent Director

Company Secretary

Mr. R. Ganesh

Registered Office and Factory

10(C), II Phase, Peenya
Bangalore - 560 058

Auditors

S. R. Batliboi & Associates
Chartered Accountants

Bankers

Citi Bank
Canara Bank

Registrar & Share Transfer Agents

M/s. Karvy Computershare Private Limited
'Karvy House', 46 Avenue 4, Street No. 1
Banjara Hills, Hyderabad - 500 034
Tel: 040-23312454/23320251
Fax: 040-23311968
E-mail: mailmanager@karvy.com

NOTICE TO MEMBERS

Notice is hereby given that the 24th Annual General Meeting of ADC India Communications Limited will be held on Friday, July 13, 2012 at 10.30 am at Hotel Atria, No.1, Palace Road, Bangalore 560001 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the period ended March 31, 2012, the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. To declare dividend.
3. To appoint a Director in place of Ms. Revathy Ashok, who retires by rotation and, being eligible, offers herself for re-appointment.
4. To consider and, if thought fit, to pass with or without modification, the following resolution as an ordinary resolution, relating to the appointment of the Auditors of the Company. The retiring auditors, M/s. S.R. Batliboi & Associates, Chartered Accountants do not wish to offer themselves for re-appointment.

“RESOLVED that M/s Deloitte Haskins & Sells, Chartered Accountants be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as may be decided by the Audit Committee of the Board of Directors of the Company in consultation with the Auditors”.

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass with or without modification, the following resolution as Ordinary Resolution:

“RESOLVED that Mr.N.Srinivasan, who was appointed as an Additional Director and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company.”

6. To consider and, if thought fit, to pass with or without modification, the following resolution as ordinary resolution:

“RESOLVED that subject to the approval of

the Company in the General Meeting, the non whole-time independent directors of the Company be paid an annual commission of an amount not exceeding 1% of the net profits of the Company as provided under Section 309 (4) of the Companies Act, 1956 (“The Act”) and computed in a manner referred to in Section 198 (1) of the Act or any amendment thereof. This amount to be divided amongst the non-whole-time independent directors in such manner as the board may from time to time determine and in default of such determination, equally and further subject to the amount of annual commission paid to each of the non whole-time independent directors, not exceeding Rs. 2,00,000/- (Rupees Two Lakhs only) for any one financial year of the Company”.

By Order of the Board

R. Ganesh

Company Secretary

Place: Bangalore
Date: May 04, 2012

NOTE:

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a Member of the Company.
2. Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.
3. The Register of Members and the Share Transfer Books of the Company will remain closed from July 03, 2012 to July 13, 2012 (both days inclusive).
4. Dividend if declared, will be paid on or before the specified time limit to those Members whose name appear in the Register of Members of the Company as at the end of business hours on July 02, 2012. In respect of shares held in electronic form, dividend will be payable on the basis of beneficial ownership as per the details furnished by NSDL and CDSL for this purpose.
5. Since SEBI has made it mandatory for distributing dividends through Electronic Clearing Services (ECS), the Company will use the bank account

details furnished by the Depositories for distributing the dividends to the shareholders holding shares in the electronic form. Members are requested to notify any change in their Bank account details to their Depository Participant immediately.

6. Members are requested to notify immediately any change in their registered address and the bank mandate details to the Company's Share Transfer Agent (for shares held in physical form) and to Depository Participants (for shares held in electronic form).
7. Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company is required to be transferred to "Investor Education and Protection Fund"(IEPF) established by the Central Government. No claims can be made against the Company for the amounts of dividend so transferred to the said Fund. Pursuant to these provisions the unclaimed amount of final dividend declared for the year 2004 have been transferred to Investor Education and Protection Fund. The dividend declared for the years thereafter and unclaimed is still lying in the respective unpaid dividend account of the Company. Shareholders, who have not yet encashed their dividend, may make their claim to the Company's Registrar & Share Transfer Agent, without any delay.
8. Re-appointment of Director

At the ensuing Annual General Meeting, Ms. Revathy Ashok retires by rotation and being eligible, offers herself for reappointment. Ms. Revathy Ashok is a gold medalist from the Indian Institute of Management, Bangalore. She has had a successful leadership experience of over three decades spanning variety of industries – Private Equity, Software & IT enabled services, Manufacturing, Infrastructure & Real estate etc. in Senior Management positions handling wide variety of portfolios, namely Capital Raising, Business Development, Finance, Commercial and other strategic general management functions. She has worked in Tishman Speyer India, Syntel, Tyco Electronics (erstwhile AMP). Ms. Revathy Ashok is a speaker at several industrial forums including guest lectures at the Indian Institute of Management and other colleges.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT 1956.

Item No.5

Mr. N. Srinivasan was appointed as an Additional Director in the Board Meeting held on February 10, 2012 and vacates his office at this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956 and the Articles of Association of the Company. A notice under Section 257 of the said Act has been received from a Member signifying his intention to propose the appointment of Mr. Srinivasan as a Director of the Company.

Mr. N. Srinivasan graduated as a Metallurgical Engineer from the prestigious BHU Institute of Technology in Varanasi, India in 1967. He began his career in Technical Consulting with the Indian Lead Zinc Information Centre – the Indian wing of Zinc Development Association of UK. After a five-and-a-half years stint there, he joined the Federation of Indian Export Organizations (FIEO) to set up its consultancy export department. In FIEO, he worked to promote Indian service capabilities in different parts of the world.

Mr. Srinivasan joined the Confederation of Indian Industry (CII) – then known as the Association of Indian Engineering Industry – in 1974. He was a member of the core secretariat team which built the Institution from small beginnings to become a leading industry body in the country. He had the privilege of handling several portfolios including Manufacturing, Export, Quality and Technology. In 1979-80, he was deputed to the United Kingdom to set up CII's office there to engage with British business and connect them with India.

From December 1989 – December 1994, he was requested to serve as the Executive Director and Secretary of the Automotive Component Manufacturers Association (ACMA). In this position, he was responsible for repositioning ACMA as an effective body representing the progressive Indian auto component industry. During his tenure, the auto component industry was able to make a huge foray into overseas markets, working closely with automotive OEMs in the different continents of the world.

Mr. Srinivasan rejoined CII on 1st December 1994 and, in a couple of years, was designated Deputy Director General handling several responsibilities. He moved to Bangalore to set up the CII Institute of Quality in 2001 which has become the country's

premier Institution for training and education in Quality and Competitiveness.

He was appointed Director General of CII in June 2004 which post he held for two years before moving into a new role as Adviser to President CII. He retired from CII on 31st May 2007.

As Director General, Mr. Srinivasan has been the spokesman for Indian industry at various foray. He has been a panelist at the sessions of the World Economic Forum annual meet at Davos and the India Economic Summit in Delhi. He has also spoken on the Indian economy to various groups from overseas visiting India. In addition, he has been a speaker at conferences and seminars in UK, USA and other countries. He has also addressed students of several leading educational institutions in India, on the Indian economy, Indian Industry initiatives in technology, competitiveness, global forays, and on Industry-Institute co-operation.

Your Directors recommend his appointment as a Member of the Board of Directors in the interest of the Company.

None of the Directors except Mr. N. Srinivasan is concerned or interested in this resolution.

Item No. 6

At the 18th Annual General Meeting of the Company held on February 21, 2007, the shareholders of the Company had approved payment of commission to non-whole time independent directors of the Company of an amount not exceeding 1% of the net profits of the Company computed as per the provisions of the Companies Act, 1956. The commission to be paid to a Director shall in no event exceed Rs. 2,00,000/- in respect of any one financial year of the Company. As per the Provisions of the Companies Act, 1956 the validity of this approval is for five years. It is proposed to continue with this payment to non-whole time independent directors of the Company.

None of the Directors except Mr. C. P. Rangachar, Ms. Revathy Ashok and Mr. N. Srinivasan are concerned or interested in the resolution.

By Order of the Board

R. Ganesh

Company Secretary

Place: Bangalore

Date: May 04, 2012

DIRECTORS' REPORT

To the Members,

The Board of Directors of your Company has pleasure in presenting the 24th Annual Report on the business and operations, including the financial statements for the period ended March 31, 2012.

Financial Results

(Rs. in lakhs)

	For the Period ended 31st March 2012 (6 Months)	For the Year ended 30th September 2011 (12 months)
Gross Revenue (including Excise Duty)	2479.79	7342.40
Profit before depreciation	129.11	540.19
Less: Depreciation	46.60	118.98
Net Profit for the year before Taxation	82.51	421.21
Provision for Taxation	38.67	137.46
Profit after tax	43.84	283.75
Add: Profit brought forward from previous year	4317.21	4127.84
Profit available for Appropriation	4361.05	4411.59
Appropriations		
Dividend Proposed	23.00	69.00
Tax on Dividends	3.73	11.19
Transfer to General Reserve	-	14.19
Profit retained in Profit & Loss Account	4334.32	4317.21

During the period it was decided to change the financial year/period of the Company from October-September to April-March. Hence, this financial year's result is for the period October, 2011 to March, 2012.

Various internal issues in the telecom sector continuous to remain unresolved. The Enterprise network market growth is slow due to the overall economic slow-down. On account of these factors the Company's Carrier and Enterprise business were severely impacted during the year.

Dividend

Your Directors recommend a dividend of 5% (Rs.0.50 per equity share of Rs. 10/-) for the period ended March,

2012 subject to the approval by the shareholders at the forthcoming Annual General Meeting.

Directors Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act 1956, your Directors confirm that:

- a. in the preparation of annual accounts the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b. accounting policies have been selected and applied 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 at the end of the financial year and of the profit or loss of the Company for that period;
- c. proper and sufficient care has been taken for the 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 fraud and other irregularities;
- d. The annual accounts have been prepared on a going concern basis.

Strategy & Operations

The past 6 months have been extremely challenging for your Company as the environment continues to be volatile on the policy and economy front and presents a very uncertain situation.

The telecom industry continues to be in a state of flux with Supreme Court rejecting the revision pleas of operators whose licenses have been cancelled. Several large service providers and equipment manufacturers are yet to make announcement of their large term plans.

The sharp increase in the auction prices and increase in service taxes would add to the start up and service cost and may impact the revenue per user for the Telco's.

As India steps into its next Fiscal year starting April 2012, key issues that would shape the economy for the next year include Government borrowings and its impact on liquidity and interest costs, Global oil prices and level of subsidies that Oil companies in India have to bear, Monsoon from early June which would determine the agricultural output and its impact on food prices and growth in rural economy as well as Inflation. The current mood is one of cautious optimism.

This situation has also affected the Company's performance in the past 6 months and calls for focused action to manage the current slowdown. Your management is looking at all opportunities to increase revenues in this difficult period as well as manage expenses. Several options are being considered which also include, but not limited to, a potential restructuring of the business and operations with a view to achieve optimal scale and yet retain scope for growth in future.

Directors

Ms. Revathy Ashok retires by rotation and being eligible offers herself for re-appointment.

We are glad to invite Mr. Natraj Srinivasan to the Board, who became an Additional Director with effect from February 10, 2012.

Corporate Governance

As required under clause 49 of the Listing Agreement, a report on Corporate Governance and Auditor's Certificate confirming compliance thereof are made a part of this Annual Report.

Particulars of Employees

During the year under review, none of the Company's employees have received remuneration in excess of the limits specified under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, and hence

no particulars are required to be disclosed in this Report.

Auditors

M/s. S.R. Batliboi & Associates retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and do not wish to offer themselves for re-appointment. The Board now recommends the appointment of M/s. Deloitte Haskins & Sells as the Auditors for the current year, subject to the approval of shareholders. The Board would like to recognize M/s. S.R. Batliboi & Associates Chartered Accountants contribution to the Company.

Acknowledgements

The Directors wish to express their appreciation for the continued co-operation of the Customers, vendors, bankers, shareholders, channel partners and distributors and also the valuable assistance and advice received from TE Connectivity Ltd. The Directors also wish to thank all the employees for their contribution and Continued co-operation through the year.

On behalf of the Board of Directors

Sanjay Handu
Managing Director

Place: Bangalore

Date: May 04, 2012

ANNEXURE TO DIRECTORS' REPORT

Particulars pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1998:

A. Conservation of Energy

With the objective of reducing the power consumption the Company optimized the usage of Natural ventilations and use of CFL lamps, while continuing to improve the operational and maintenance practices.

B. Technology

During the year the Company continued its efforts in offering cost effective solutions by looking into alternate specification for some of the key products.

1. Research & Development

Continuous improvements, alternate sourcing and process changes activities continued during the year.

2. Foreign exchange earnings and outflow on cash basis:

(i) Foreign Exchange Earnings	-	Rs.10,055,120/-
(ii) Foreign Exchange outflow	-	Rs. 1,505,762/-

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Carrier:

The wire-line segment continuous to remain dormant without any growth. India Telecom subscriber base touches 917. The Telecom industry registered a slow subscriber growth of only 1.07 percent. Urban subscribers decreased from 65.7% to 65.5%. New network rollout is not on priority. All major government projects are on hold. Network sharing is to address current needs. 2G and 3G Network expansion plans and project decision making are on hold due to various 2G related issues.

Enterprise:

The Enterprise network market growth is slow due to the overall economic slow-down. With the current economic scenario the business especially in the government sectors is slowing down. The Enterprise network market is signaling 12-15% negative growth across all OEM products. IT/ITES segments are growing in pockets. No new customers are entering India due to slowdown in Europe / US. Lack of new policy initiatives is also slowing down the momentum. Major central government projects are also on hold.

REVIEW OF OPERATING PERFORMANCE

The financial statements have been prepared in compliance with the requirement of the Companies Act, 1956 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	2012 (6 Months)	2011 (12 Months)
Gross Revenue	2479.79	7342.40
Profit before Depreciation and Tax	129.11	540.19
Depreciation	46.60	118.98
Profit before Tax	82.51	421.21
Ratio of Profit before Tax to Revenue in percentage	3.33	5.73

Profit after Tax	43.84	283.75
Total Assets	6,146.00	6,768.03
Earnings per share	0.95	6.17
Inventory Turnover ratio (on annualized basis)	2.88 times	7.13 times
Debtors turnover ratio (on annualized basis)	2.57 times	3.64 times

During the period it was decided to change the financial year of the Company from October-September to April-March. Hence, this financial year's result is for a period of six months from October, 2011 to March, 2012 and hence not comparable with previous year's figures. Various unresolved issues in the telecom sector and slowness in the growth of the Enterprise network market severely impacted the Company's Carrier and Enterprise business during the year.

OPPORTUNITIES AND THREATS

Carrier

A fresh effort is being made to promote broadband internet access throughout the country after a period in which broadband development languished and the government became concerned. There is a new hope for a serious expansion phase in this segment of the market. In the meantime, the government continues to push to complete the restructuring of the telecommunications regulatory regime.

Enterprise

In spite of the overall economic slowdown the business potential in IT/ITES looks promising.

RISKS AND CONCERNS

Carrier

The impact of the unfolding scandal over the awarding of 2G licenses is looking grim for the Telecom industry. Court decisions and the subsequent responses of the regulators are key to the eventual outcome. The fixed-line market has been experiencing zero and negative growth of late.

Procurement and rollout projects are expected to have a downfall in next few months. No expansion plans. New Telecom Policy is under evaluation and this policy may boost the active network sharing in the country.

Enterprise:

Maintaining margins and managing long term contracts with high variation in copper price is a challenge in Enterprise market. Competition is deploying more resources. Rampant counterfeit products are reducing the run rate business as well as market pricing. Sentiments are low in the market due to global uncertainties.

TECHNOLOGY

The Company primarily makes and sells products developed out of technology owned by companies affiliated to it. The global acquisition of ADC by TE has strengthened the access to product pipeline.

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

Cost reduction initiatives were given high importance from the overall Company's perspective. Continuous improvements, alternate sourcing and process changes activities continued during the year.

HUMAN RESOURCES

The total number of permanent employees of the Company as at March 31, 2012 was 93. Various training programs were held for the employees of the Company for enhancing their skills, capabilities and performance.

INFORMATION TECHNOLOGY

Various IT initiatives were taken up during the year with the objective of improving the reporting system and better analysis of operational and financial information.

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 as a result of any action taken on the basis of 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 Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited.

2. BOARD OF DIRECTORS

The current Board of Directors consists of six Directors including the Managing Director and three independent directors.

Four Board Meetings were held during the period October, 2011 to March, 2012: November 03, 2011, February 10, 2012, February 10, 2012, March 30, 2012.

The details of the Directors on the Board of your Company for the period ended March 2012 are given below:

Name	Category	Month & Year of Appointment	Designation	No. of meetings held during the last period	No. of meeting attended	Number of memberships in Board of other companies	Membership of Board Committees	Chairman of Board Committees	Whether attended last AGM
Sanjay Handu	Nominee Director	March 2011	Managing Director	4	4	NIL	1	NIL	Yes
S.Viswanath	Nominee Director	March 2011	Director	4	4	NIL	3	1	Yes
Tony Gatt	Nominee Director	March 2011	Director	4	-	NIL	NIL	NIL	No
C.P. Rangachar	Independent Director	January 2010	Director	4	4	2	3	1	Yes
Revathy Ashok	Independent Director	August 2011	Director	4	2	1	2	1	No
N. Srinivasan ¹	Independent Director	February 2012	Director	4	2	2	3	NIL	No
Bodapati Bhasker ²	Independent Director	December 2008	Director	4	1	NIL	NIL	NIL	No

1. Appointed as a Director w.e.f February 10, 2012. 2. Ceased to be Director w.e.f November 04, 2011.

3. AUDIT COMMITTEE

The role of the Audit Committee includes the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are fairly stated.
- Recommending the appointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the Board.

- Reviewing the internal audit system and scope of internal audit.

The Current Audit committee consists of the following Directors:

- Ms. Revathy Ashok : Chairman
- Mr. C.P. Rangachar : Member
- Mr. N.Srinivasan : Member
(from February 10, 2012)
- Mr. S.Viswanath : Member

During the period ended March 2012 two audit committee meetings were held:

Mr. C. P. Rangachar and Mr. S. Viswanath attended both the meetings. Ms. Revathy Ashok and Mr. N. Srinivasan attended one meeting. The requirements on periodicity and time gap between two meetings were in accordance with the requirements of clause 49 of the listing agreement.

Mr. R. Ganesh, Company Secretary acts as the Secretary to the Committee.

4. COMPENSATION COMMITTEE

The committee reviews and decides the overall remuneration of the Managing Director.

The Current Compensation Committee consists of the following Directors:

Mr. S.Viswanath	: Chairman
Mr. C.P.Rangachar	: Member
Ms. Revathy Ashok	: Member
Mr. N.Srinivasan	: Member (from February 10, 2012)

During the period ended March 2012 no Compensation Committee meeting was held.

Remuneration of Non-whole-time Directors for the period ended 31st, March 2012

Mr. Bodapati Bhaskar	: Rs.20,000
Mr.C.P Rangachar	: Rs.62,153
Mr. Revathy Ashok	: Rs.62,153
Mr. N.Srinivasan	: Rs.40,000
Mr.Sanjay Handu	: Rs.40,000

5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The committee monitors and redresses Shareholders and investors complaints.

The Current Shareholders/Investors Grievance Committee consists of the following Directors:

Mr. C.P. Rangachar	: Chairman
Mr. N.Srinivasan	: Member (from February 10, 2012)
Mr. Sanjay Handu	: Member
Mr. S.Viswanath	: Member

During the period, two Shareholders/Investors Grievance Committee meetings were held. Mr. C.P. Rangachar, Mr. Sanjay Handu and Mr. S. Viswanath attended both the meetings. Mr. N. Srinivasan attended one meeting.

COMPLIANCE OFFICER

Name and designation of compliance officer is Mr. R. Ganesh, Company Secretary.

Details of number of Shareholders complaints received, number not solved and number of pending share transfers is provided in the Shareholder information section of this report.

6. GENERAL BODY MEETINGS

Location and time of the last three Annual General Meetings;

Year	Date	Venue	Time
2009	January 22, 2010	Hotel Atria, No.1, Palace Road, Bangalore	10.30 am
2010	February 11, 2011	Hotel Atria, No.1, Palace Road, Bangalore	10.30 am
2011	February 10, 2012	Hotel Atria, No.1, Palace Road, Bangalore	10.30 am

7. DISCLOSURES

- Related party transactions are disclosed in note 25 to the Financial Statements.
- There are no materially significant related party transactions which have potential conflict with the interests of the Company at large. The Company has significant related party transactions relating to purchase of goods and services from group companies. The contractual terms for these businesses are negotiated at arm's length.
- There are no pecuniary relationships or transactions with Non-Executive Directors of the Company except the remuneration paid to them for services rendered as Directors of the Company.
- No penalties or strictures have been imposed on the Company by Stock Exchange or Securities & Exchange Board of India or any statutory authority on any matter relating to capital markets.

8. MEANS OF COMMUNICATION

The quarterly results are generally published in Business Standard and Sanjevani. Quarterly and Annual financial results are posted on the website www.adc.com/in/en/

Management discussion and analysis report is provided in the Management Discussion and Analysis section of this Annual Report.

9. GENERAL SHAREHOLDER INFORMATION

Information of importance to shareholders is given in the Shareholder information section of this Annual Report.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of ADC India Communications Limited

We have examined the compliance of conditions of corporate governance by ADC India Communications Limited, for the period ended on March 31, 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify

that the Company has compiled with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further 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 S. R. Batliboi & Associates
Firm Registration No: 101049W
Chartered Accountants

per Adarsh Ranka
Partner
Membership No.: 209567

Place: Bangalore
Date: May 04, 2012

CODE OF CONDUCT

DECLARATION

It is hereby declared that all Board members and senior management personnel have affirmed compliance with the Code of Conduct for the Directors and senior management of the Company in respect of the period ended March 31, 2012.

Place: Bangalore
Date: May 04, 2012

Sanjay Handu
Managing Director

AUDITORS' REPORT

To

The Members of ADC India Communications Limited

1. We have audited the attached Balance Sheet of ADC India Communications Limited ('the Company') as at March 31, 2012 and also the Statement of Profit or Loss and the Cash Flow Statement for the six months ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the Order') issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - ii. in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;

- iii. the balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account;
- iv. in our opinion, the balance sheet, statement of profit and loss and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v. on the basis of the written representations received from the Directors, as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
 - a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2012;
 - b) in the case of the statement of profit and loss, of the profit for the six months ended on that date; and
 - c) in the case of cash flow statement, of the cash flows for the six months ended on that date.

For S.R. Batliboi & Associates
Firm Registration No: 101049W
Chartered Accountants

per Adarsh Ranka
Partner
Membership No.: 209567

Place: Bangalore
Date: May 04, 2012

ANNEXURE TO AUDITORS' REPORT

Annexure referred to in paragraph 3 of our report of even date

Re: ADC India Communications Limited ('the Company')

- | | |
|---|--|
| <p>(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.</p> <p>(b) Fixed assets have been physically verified by the management during the period and no material discrepancies were identified on such verification.</p> <p>(c) There was no disposal of a substantial part of fixed assets during the period.</p> | |
| <p>ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the period.</p> <p>(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.</p> <p>(c) The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.</p> | <p>v) In our opinion and according to the information and explanation given to us, there are no contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956.</p> |
| <p>iii) (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.</p> <p>(b) According to information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.</p> | <p>vi) The Company has not accepted any deposits from the public.</p> <p>vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.</p> <p>viii) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956, related to its manufacturing activity, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.</p> |
| <p>iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale</p> | <p>ix) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to it.</p> <p>(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, wealth-tax, service tax, sales-tax, customs duty, excise duty, cess and other material statutory dues were outstanding, at the period end, for a period of more than six months from the date they became payable.</p> <p>(c) According to the records of the Company, there are no dues outstanding of income-tax, sales-tax, wealth-tax, service tax,</p> |

ANNEXURE TO AUDITORS' REPORT (CONTINUED)

customs duty, excise duty and cess on account of any dispute, except the following:

Name of the Statute	Nature of dues	Amount (Rs.)	Period to which it relates	Forum where dispute is pending
The Karnataka Sales Tax Act, 1957	Sales Tax	11,223,615	1994-95 to 2001-02	Sales Tax Appellate Authorities
The Central Excise Act, 1944	Excise Duty	180,269 (Paid under protest 180,269)	2006-07, 2007-08	Customs, Excise and Service Tax Appellate Tribunal
The Central Sales Tax Act, 1956	Central Sales Tax	4,948,640 (Paid under protest 4,948,640)	2009-10	Joint Commissioner (Appeals) of Commercial Taxes, Bangalore
The Central Sales Tax Act, 1956	Central Sales Tax	12,401,527 (Paid under protest 6,200,764)	2010-11	Joint Commissioner (Appeals) of Commercial Taxes, Bangalore

- x) The Company has no accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or bank. The Company did not have any debentures outstanding during the period.
- xii) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society.

Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.

- xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) The Company did not have any term loans outstanding during the period.
- xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii) The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix) The Company did not have any outstanding debentures during the period.
- xx) The Company has not raised any money through public issue during the period.
- xxi) We have been informed that *a cheque for an amount of Rs 673,220 drawn in favour of a supplier has been fraudulently encashed during the period by a third party*. The Company has issued a legal notice to the courier company and the matter is pending final settlement and the management does not expect any further liability in this regard.

For S.R. Batliboi & Associates
Firm Registration No: 101049W
Chartered Accountants

per Adarsh Ranka
Partner
Membership No.: 209567

Place: Bangalore
Date: May 04, 2012

BALANCE SHEET AS AT MARCH 31, 2012

	Notes	March 31, 2012 (Rs.)	September 30, 2011 (Rs.)
Equity and Liabilities			
Shareholders' Funds			
Share capital	3	46,000,000	46,000,000
Reserves and surplus	4	486,084,336	484,373,763
		532,084,336	530,373,763
Non-current Liabilities			
Long-term provisions	5	437,173	497,688
		437,173	497,688
Current Liabilities			
Trade payables	6	73,461,459	126,494,747
Other current liabilities	6	4,565,912	6,312,851
Short-term provisions	5	4,051,776	13,123,746
		82,079,147	145,931,344
TOTAL		614,600,656	676,802,795
Assets			
Non-current Assets			
Fixed assets			
Tangible assets	7	58,504,307	62,927,032
Intangible assets	7	2,379,849	3,393,642
Deferred tax assets (net)	8	3,095,295	3,365,996
Long-term loans and advances	9	19,627,656	11,164,199
Trade receivables	10	7,451,897	6,417,871
Other non-current assets	11	-	80,000,000
		91,059,004	167,268,740
Current Assets			
Inventories	12	122,022,526	92,868,410
Trade receivables	10	137,604,425	178,774,154
Cash and bank balances	13	254,457,707	222,921,756
Short-term loans and advances	9	7,192,611	8,635,497
Other current assets	11	2,264,383	6,334,238
		523,541,652	509,534,055
TOTAL		614,600,656	676,802,795

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For S.R. Batliboi & Associates
Firm Registration No.: 101049W
Chartered Accountants

per Adarsh Ranka
Partner
Membership No.: 209567

Sanjay Handu
Managing Director

For and on behalf of the board of directors
of ADC India Communications Limited

S. Viswanath
C.P. Rangachar
N. Srinivasan
Directors

R. Ganesh
Company Secretary

Place : Bangalore
Date : May 04, 2012

Place : Bangalore
Date : May 04, 2012

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2012

	Notes	October 1, 2011 to March 31, 2012 (Rs.)	October 1, 2010 to September 30, 2011 (Rs.)
Income			
Revenue from operations (gross)		236,841,864	717,670,423
Less: excise duty		6,788,591	20,329,775
Revenue from Operations (net)	14	230,053,273	697,340,648
Other income	15	11,137,305	16,570,110
Total Revenue (i)		241,190,578	713,910,758
Expenses			
Cost of raw materials, components, consumables and packing materials consumed	16	63,022,066	174,541,088
Purchase of traded goods	17	117,809,719	360,632,362
(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods	18	(25,913,642)	(17,395,330)
Employee benefits expense	19	22,627,222	64,952,257
Other expenses	20	50,734,418	76,900,027
Depreciation and amortization expense	21	4,659,968	11,898,343
Finance costs	22	-	261,166
Total Expense (ii)		232,939,751	671,789,913
Profit Before Tax [(i) - (ii)]		8,250,827	42,120,845
Tax Expenses			
Current tax		3,596,435	16,350,490
Deferred tax charge / (credit)		270,701	(2,604,248)
Total Tax Expense		3,867,136	13,746,242
Profit for the Period / Year		4,383,691	28,374,603
Earnings per equity share (nominal value of share Rs.10)			
Basic / Diluted EPS	23	0.95	6.17
Weighted average number of equity shares used in computation of above		4,600,000	4,600,000

Summary of significant accounting policies 2.1

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For S.R. Batliboi & Associates
Firm Registration No.: 101049W
Chartered Accountants

per Adarsh Ranka
Partner
Membership No.: 209567

Sanjay Handu
Managing Director

For and on behalf of the board of directors
of ADC India Communications Limited

S. Viswanath
C.P. Rangachar
N. Srinivasan
Directors

R. Ganesh
Company Secretary

Place : Bangalore
Date : May 04, 2012

Place : Bangalore
Date : May 04, 2012

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2012

	Notes	October 1, 2011 to March 31, 2012 (Rs.)	October 1, 2010 to September 30, 2011 (Rs.)
A.	Cash flows from operating activities		
	Profit before tax	8,250,827	42,120,845
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation and amortization expense	4,659,968	11,898,343
	Loss/ (profit) on sale of fixed assets (net)	(43,663)	17,701
	Provision for doubtful debts and advances	9,373,025	8,435,361
	Bad debts written off	230,674	-
	Unrealized foreign exchange loss (net)	917	642,919
	Interest expense	-	261,166
	Interest income	(9,376,640)	(16,486,306)
	Operating profit before working capital changes	13,095,108	46,890,029
	Movements in working capital :		
	Increase/ (Decrease) in trade payables	(53,268,043)	29,531,932
	Increase / (Decrease) in long term provisions	(60,515)	-
	Increase / (Decrease) in short-term provisions	180,259	-
	Increase/ (Decrease) in other current liabilities	(1,746,939)	(4,519,628)
	Decrease / (Increase) in inventories	(29,154,116)	(25,581,262)
	Decrease / (Increase) in trade receivables	30,550,549	1,093,076
	Decrease / (Increase) long term loans and advances	(8,463,457)	(372,060)
	Decrease / (Increase) short term loans and advances	1,442,886	425,767
	Cash generated from /(used in) operations	(47,424,268)	47,467,854
	Direct taxes paid (net of refunds)	(7,502,429)	(10,640,607)
	Net cash flow from/ (used in) operating activities (A)	(54,926,697)	36,827,247
B.	Cash flows from investing activities		
	Purchase of fixed assets, including capital advances	(88,765)	(2,445,428)
	Proceeds from sale of fixed assets	840,163	2,630,595
	Deposit made during the period	-	(100,100,000)
	Redemption/ maturity of bank deposits	100,100,000	226,858,800
	Interest received	13,446,495	11,658,563
	Net cash flow from investing activities (B)	114,297,893	138,602,530
C.	Cash flows from financing activities		
	Repayment of long-term borrowings	-	(4,681,782)
	Interest paid	-	(261,166)
	Dividends paid on equity shares	(6,900,000)	(6,900,000)
	Tax on equity dividend paid	(1,119,353)	(1,146,004)
	Net cash flow used in financing activities (C)	(8,019,353)	(12,988,952)

CASH FLOW STATEMENT FOR THE PERIOD ENDED MARCH 31, 2012 (CONTINUED)

	Notes	October 1, 2011 to March 31, 2012 (Rs.)	October 1, 2010 to September 30, 2011 (Rs.)
	Net increase in cash and cash equivalents (A + B + C)	51,351,843	162,440,825
	Effect of exchange differences on cash and cash equivalents held in foreign currency	284,108	-
	Cash and cash equivalents at the beginning of the period / year	202,821,756	40,380,931
	Cash and cash equivalents at the end of the year	254,457,707	202,821,756
D.	Components of cash and cash equivalents		
	Cash on hand	54,418	60,693
	Balances with scheduled banks:		
	- in current accounts	23,551,155	66,027,929
	- in deposit accounts	230,000,000	235,100,000
	- unpaid dividend accounts#	852,134	1,733,134
	Total cash and cash equivalents (note 13)	254,457,707	302,921,756
	Less: Fixed deposits with maturity greater than three months*	-	100,100,000
	Net	254,457,707	202,821,756

Summary of significant accounting policies 2.1

The Company can utilize these balances only towards settlement of the respective unpaid dividend liabilities.

*Includes Margin money deposits against bank guarantees - Rs Nil (September 30, 2011: Rs 1,00,000).

As per our report of even date.

For S.R. Batliboi & Associates
Firm Registration No.: 101049W
Chartered Accountants

per Adarsh Ranka
Partner
Membership No.: 209567

Sanjay Handu
Managing Director

Place : Bangalore
Date : May 04, 2012

For and on behalf of the board of directors
of ADC India Communications Limited

S. Viswanath
C.P. Rangachar
N. Srinivasan
Directors

R. Ganesh
Company Secretary

Place : Bangalore
Date : May 04, 2012

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

1. CORPORATE INFORMATION

ADC India Communications Limited (“the Company”) is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. 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 fibre physical connectivity in telecommunications and data networking solutions including structured cabling.

The Company is headquartered at Bangalore and has its manufacturing facility at Peenya and Regional sales offices in New Delhi.

2. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for adoption of revised schedule VI, as detailed below.

2.1. Summary of Significant Accounting Policies

a. Adoption of Revised Schedule VI

During the period ended March 31, 2012, the revised Schedule VI notified under the Companies Act 1956, has become applicable to the Company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the previous year figures in accordance with the requirements applicable in the current period.

b. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP (generally accepted accounting principles) requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

c. Tangible Fixed Assets

Fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

d. Depreciation

Depreciation on fixed assets are calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule XIV to the Companies Act, 1956, whichever is higher. Depreciation on vehicles are provided under

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

the written down value method, while other assets are depreciated under the straight line method. The Company has used the following rates to provide depreciation on its fixed assets.

Description	Rate of depreciation	Schedule-XIV rates
	(SLM)	(SLM)
Buildings	3.34% - 25%	3.34%
Plant and Machinery	5% - 50%	4.75%
Moulds	20% - 100%	16.21%
Computers	25%	16.21%
Electrical Installations	5%	4.75%
Office Equipments	10% - 100%	4.75%
Furniture and Fittings	10% - 100%	6.33%
	(WDV)	(WDV)
Vehicles	25.89%	25.89%

Assets individually costing Rs. 5,000 or less are depreciated fully in the period / year of purchase.

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortized on a straight line basis over the estimated useful economic life ranging from two to five years. The amortization period and the amortization method are reviewed at least at each financial period / year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

f. Impairment

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price 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 risks specific to the asset. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. A previously recognised impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

g. Leases

Where the Company is lessee

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalised.

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of profit and loss on a straight-line basis over the lease term.

h. Inventories

Inventories are valued as follows:

Raw materials, components, consumable and packing materials (including materials in transit)	Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a weighted average basis.
Work-in-progress and finished goods (including materials in transit)	Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on a weighted average basis.
Traded goods (including materials in transit)	Lower of cost and net realizable value. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion (as appropriate) and estimated costs necessary to make the sale.

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which normally coincides with the dispatch of goods from the factory/warehouse of the Company. Excise Duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Revenue from service contracts are recognised, when the rendering of services under a contract is completed or substantially complete.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Commission Income is accounted on accrual basis as per the terms of the contract with the customers.

j. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

k. Foreign currency translation

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

I. Retirement and other employee benefits

Retirement benefits in the form of Provident Fund and Superannuation Scheme are defined contribution schemes and the contributions are charged to the Statement of profit and loss of the period when the contributions to the respective funds are due. The Company has no obligation, other than the contribution payable under the respective schemes.

The Company operates a single defined benefit plan for its employees, viz. gratuity. The cost of providing benefits under the plan is determined on the basis of actuarial valuation at each year-end using the projected unit credit method. Actuarial gains and losses are recognized in full in the period in which they occur in the statement of profit and loss.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as longterm employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

m. Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

writes down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

n. Segment reporting policies

(i) Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the location in which the customers are situated.

(ii) Allocation of common costs:

Common allocable costs are allocated to each segment according to the relative contribution of each segment to the total common costs.

(iii) Unallocated items:

Includes general corporate income and expense items which are not allocated to any business segment.

(iv) Segment policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

o. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p. Provisions

A provision is recognised when an enterprise has a present obligation as a result of past event; 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. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

q. Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

r. Cash and cash equivalents

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

		March 31, 2012 (Rs.)	September 30, 2011 (Rs.)
3	SHARE CAPITAL		
	Authorised: 10,000,000 (September 30, 2011: 10,000,000) equity shares of Rs. 10 each	100,000,000	100,000,000
	Issued, subscribed and fully paid-up shares 4,600,000 (September 30, 2011: 4,600,000) equity shares of Rs. 10/- each, fully paid up	46,000,000	46,000,000
	Total issued, subscribed and fully paid-up share capital	46,000,000	46,000,000

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

	March 31, 2012		September 30, 2011	
	No.	Rs.	No.	Rs.
At the beginning of the period	4,600,000	46,000,000	4,600,000	46,000,000
Outstanding at the end of the period	4,600,000	46,000,000	4,600,000	46,000,000

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(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, 2012 Rs.	September 30, 2011 Rs.
ADC GmbH, the holding company 3,080,824 (September 30, 2011: 3,080,824) equity shares of Rs.10 each fully paid-up	30,808,240	30,808,240
TE Connectivity Ltd, ultimate holding company 18,569 (September 30, 2011: 18,569) equity shares of Rs.10 each fully paid-up	185,690	185,690
ADC Telecommunications Inc., subsidiary of ultimate holding company 4,967 (September 30, 2011: 4,967) equity shares of Rs.10 each fully paid-up	49,670	49,670

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

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

	March 31, 2012		September 30, 2011	
	No.	% holding in	No.	% holding in
Equity shares of Rs.10 each fully paid ADC GmbH, the holding company	3,080,824	67%	3,080,824	67%

As per records of the Company, including its register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represent both legal and beneficial ownership of shares.

		March 31, 2012 Rs.	September 30, 2011 Rs.
4	Reserves and Surplus		
	General Reserve		
	Balance as per the last financial statements	52,652,558	51,233,828
	Add: amount transferred from surplus balance in the statement of profit and loss	-	1,418,730
	Closing Balance (A)	52,652,558	52,652,558
	Surplus in the statement of profit and loss		
	Balance as per last financial statements	431,721,205	412,784,685
	Profit for the year	4,383,691	28,374,603
	<i>Less: Appropriations</i>		
	Proposed final equity dividend [amount per share Rs. 0.50 (September 30, 2011: Rs. 1.50)]	(2,300,000)	(6,900,000)
	Tax on proposed equity dividend	(373,118)	(1,119,353)
	Transfer to general reserve	-	(1,418,730)
	Total appropriations	(2,673,118)	(9,438,083)
	Net surplus in the statement of profit and loss (B)	433,431,778	431,721,205
	Total reserves and surplus (A + B)	486,084,336	484,373,763

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

	Long-term		Short-term	
	March 31, 2012 Rs.	September 30, 2011 Rs.	March 31, 2012 Rs.	September 30, 2011 Rs.
5 Provisions				
Provision for employee benefits				
Provision for compensated absences	437,173	497,688	277,080	96,821
(A)	437,173	497,688	277,080	96,821
Other provision				
Provision for taxation (net)	-	-	1,101,578	5,007,572
Provision for equity dividend	-	-	2,300,000	6,900,000
Provision for tax on proposed equity dividend	-	-	373,118	1,119,353
(B)	-	-	3,774,696	13,026,925
Total Provisions (A+B)	437,173	497,688	4,051,776	13,123,746

	March 31, 2012 Rs.	September 30, 2011 Rs.
6 Trade payables and other current liabilities		
Trade payables (refer note 33 for details of dues to micro and small enterprises)	73,461,459	126,494,747
Other current liabilities		
Investor education and protection fund will be credited by following amounts (as and when due)		
Unpaid dividend	852,134	1,733,134
Others		
Advance from customers	504,510	170,096
Statutory dues	3,209,268	4,409,621
	<u>4,565,912</u>	<u>6,312,851</u>
Total	<u>78,027,371</u>	<u>132,807,598</u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012 (CONTINUED)

7. Tangible and Intangible Assets

(Amount in Rs.)

	Tangible Assets										Intangible Assets	
	Freehold Land	Building	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Office Equipment	Computers	Vehicles	Total	Software		
Cost or valuation												
At October 1, 2010	17,298,442	27,674,516	127,356,780	5,098,135	5,363,432	8,146,338	9,808,704	11,006,488	211,752,835	11,736,350		
Additions	-	446,228	244,788	-	69,803	45,927	435,250	-	1,241,996	-		
Disposals	-	97,500	396,556	-	194,969	501,739	572,795	9,377,685	11,141,244	-		
At September 30, 2011	17,298,442	28,023,244	127,205,012	5,098,135	5,238,266	7,690,526	9,671,159	1,628,803	201,853,587	11,736,350		
Additions	-	-	-	-	-	19,950	-	-	19,950	-		
Disposals	-	-	349,854	-	82,262	356,215	2,354,041	1,628,803	4,771,175	-		
At March 31, 2012	17,298,442	28,023,244	126,855,158	5,098,135	5,156,004	7,354,261	7,317,118	-	197,102,362	11,736,350		
Depreciation												
At October 1, 2010	-	7,187,602	105,089,191	2,372,647	3,297,972	5,212,069	7,803,152	6,586,132	137,548,765	6,315,103		
Charge for the year	-	925,313	4,587,136	245,799	503,847	912,760	1,295,816	1,400,067	9,870,738	2,027,605		
Disposals	-	26,866	202,518	-	127,271	422,084	492,377	7,221,832	8,492,948	-		
At September 30, 2011	-	8,086,049	109,473,809	2,618,446	3,674,548	5,702,745	8,606,591	764,367	138,926,555	8,342,708		
Charge for the period	-	467,987	1,888,755	122,902	199,953	532,851	333,968	99,759	3,646,175	1,013,793		
Disposals	-	-	346,822	-	82,262	330,840	2,350,625	864,126	3,974,675	-		
At March 31, 2012	-	8,554,036	111,015,742	2,741,348	3,792,239	5,904,756	6,589,934	-	138,598,055	9,356,501		
Net Block												
At September 30, 2011	17,298,442	19,937,195	17,731,203	2,479,689	1,563,718	1,987,781	1,064,568	864,436	62,927,032	3,393,642		
At March 31, 2012	17,298,442	19,469,208	15,839,416	2,356,787	1,363,765	1,449,505	727,184	-	58,504,307	2,379,849		

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

	March 31 2012 (Rs.)	September 30 2011 (Rs.)
8		
Deferred Tax Asset (Net)		
Deferred tax asset		
Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis	8 49,372	927,913
Provision for doubtful debts and doubtful advances	4,184,988	3,482,022
Gross deferred tax asset	5,034,360	4,409,935
Deferred tax liability		
Difference between tax depreciation and depreciation/ amortization charged for the financial reporting	1,939,065	1,043,939
Gross deferred tax liability	1,939,065	1,043,939
Net deferred tax asset	3,095,295	3,365,996

	Non-current		Current	
	March 31, 2012 Rs.	September 30, 2011 Rs.	March 31, 2012 Rs.	September 30, 2011 Rs.
9				
Loans and advances				
Unsecured unless stated otherwise				
Security deposit	2,892,181	2,892,181	-	280,250
(A)	2,892,181	2,892,181	-	280,250
Advances recoverable in cash or kind				
Considered good	-	-	1,502,679	3,736,958
Doubtful	-	2,654,184	-	-
	-	2,654,184	1,502,679	3,736,958
Less: provision for doubtful advances	-	(2,654,184)	-	-
(B)	-	-	1,502,679	3,736,958
Other loans and advances				
Loans to employees	-	-	98,000	148,080
Excess of Gratuity paid over liability	1,398,431	1,546,895	-	-
Advance income-tax (net of provision for taxation)	3,591,151	3,591,151	-	-
Prepaid expenses	416,220	479,383	1,848,164	1,949,952
Balances with statutory / government authorities				
	11,329,673	2,654,589	3,743,768	2,520,257
(C)	1 6,735,475	8,272,018	5,689,932	4,618,289
Total (A+B+C)	1 9,627,656	11,164,199	7,192,611	8,635,497

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

		Non-current		Current	
		March 31, 2012 Rs.	September 30, 2011 Rs.	March 31, 2012 Rs.	September 30, 2011 Rs.
10	Trade Receivables				
	Unsecured unless stated otherwise outstanding for a period exceeding six months from the date they are due for payment				
	Considered good	-	-	27,919,532	9,064,265
	Doubtful	-	-	9,237,408	8,077,893
		<u>-</u>	<u>-</u>	<u>37,156,940</u>	<u>17,142,158</u>
	Provision for doubtful trade receivables	-	-	(9,237,408)	(8,077,893)
	(A)	<u>-</u>	<u>-</u>	<u>27,919,532</u>	<u>9,064,265</u>
	Other receivables				
	Considered good	7,451,897	6,417,871	109,684,893	169,709,889
	Doubtful	-	-	3,661,308	-
		<u>7,451,897</u>	<u>6,417,871</u>	<u>113,346,201</u>	<u>169,709,889</u>
	Provision for doubtful trade receivables	-	-	(3,661,308)	-
	(B)	<u>7,451,897</u>	<u>6,417,871</u>	<u>109,684,893</u>	<u>169,709,889</u>
	Total (A+B)	<u><u>7,451,897</u></u>	<u><u>6,417,871</u></u>	<u><u>137,604,425</u></u>	<u><u>178,774,154</u></u>

Note: Provision for doubtful trade receivables is net of bad debts written off of Rs. 4,552,202 (September 30, 2011: Rs. 360,181).

		Non-current		Current	
		March 31, 2012 Rs.	September 30, 2011 Rs.	March 31, 2012 Rs.	September 30, 2011 Rs.
11	Other Assets				
	Unsecured, considered good unless stated otherwise				
	Non-current bank balances (note 13)	-	80,000,000		
	(A)	<u>-</u>	<u>80,000,000</u>		
	Others				
	Interest accrued on fixed deposits	-	-	2,264,383	6,334,238
	(B)	<u>-</u>	<u>-</u>	<u>2,264,383</u>	<u>6,334,238</u>
	Total (A+B)	<u><u>-</u></u>	<u><u>80,000,000</u></u>	<u><u>2,264,383</u></u>	<u><u>6,334,238</u></u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

		March 31, 2012 (Rs.)	September 30, 2011 (Rs.)
12	Inventories (valued at lower of cost and net realizable value)		
	Raw materials, components, consumables and packing materials [includes in transit Rs.978,000 (September 30, 2011: Rs.976,849)]	32,649,178	29,408,704
	Work-in-progress	8,822,080	3,163,868
	Finished goods [includes in transit Rs. 5,057,598 (September 30, 2011: Rs.nil)]	24,766,183	13,040,288
	Traded goods [includes in transit Rs. 18,485,948 (September 30, 2011: Rs.1,518,156)]	55,785,085	47,255,550
		<u>122,022,526</u>	<u>92,868,410</u>

		Non-current		Current	
		March 31, 2012 Rs.	September 30, 2011 Rs.	March 31, 2012 Rs.	September 30, 2011 Rs.
13	Cash and bank balances				
	Cash and cash equivalents				
	Balances with banks:				
	– On current accounts			23,551,155	66,027,929
	– Deposits with less than three months maturity			230,000,000	135,000,000
	– On unpaid dividend account			852,134	1,733,134
	Cash on hand			54,418	60,693
				<u>254,457,707</u>	<u>202,821,756</u>
	Other bank balances				
	– Deposits with maturity for more than 12 months	-	80,000,000	-	-
	– Deposits with maturity for more than 3 months but less than 12 months	-	-	-	20,000,000
	– Margin money deposit	-	-	-	100,000
		<u>-</u>	<u>80,000,000</u>	<u>-</u>	<u>20,100,000</u>
	Amount disclosed under other non-current assets (note 11)	-	80,000,000	-	-
		<u>-</u>	<u>-</u>	<u>254,457,707</u>	<u>222,921,756</u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

	October 1, 2011 to March 31, 2012 (Rs.)	October 1, 2010 to September 30, 2011 (Rs.)
14 Revenue from operations		
Sale of products		
Finished Goods	89,238,656	278,514,999
Traded Goods	136,642,556	413,832,185
	<u>225,881,212</u>	<u>692,347,184</u>
Sale of services	6,080,002	13,246,808
Other operating revenue		
Scrap Sales	4,880,650	10,209,575
Commission Income	-	1,866,856
	<u>236,841,864</u>	<u>717,670,423</u>
Less: Excise Duty#	6,788,591	20,329,775
Revenue from operations (net)	<u>230,053,273</u>	<u>697,340,648</u>
<p>#Excise duty on sales amounting to Rs.7,658,864 (September 30, 2011: Rs.20,329,775) has been reduced from sales in statement of profit and loss. Excise duty on increase/decrease in stock amounting to Rs.923,264 (September 30, 2011: 35,551) has been considered as (income)/expense in note 20 of financial statements.</p>		
Detail of products sold		
Finished goods sold		
Telecom products/connectors, accessories	69,273,446	237,453,697
Test cords	18,215,542	37,196,525
Tools	1,749,668	3,845,999
Fibre patch cords	-	18,778
	<u>89,238,656</u>	<u>278,514,999</u>
Traded goods sold		
Cables	64,583,414	261,625,460
Connector and patch cords	38,117,075	85,842,460
Others	33,942,067	66,364,265
	<u>136,642,556</u>	<u>413,832,185</u>
	<u>225,881,212</u>	<u>692,347,184</u>
Detail of services rendered		
Installation Services	6,080,002	13,246,808
	<u>6,080,002</u>	<u>13,246,808</u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

		October 1, 2011 to March 31, 2012 (Rs.)	October 1, 2010 to September 30, 2011 (Rs.)
15	Other income		
	Interest income on		
	Bank deposits	9,375,162	16,471,227
	Others	1,478	15,079
	Exchange differences (net)	1,663,169	-
	Profit on sale of fixed assets (net)	43,663	-
	Other non-operating income	53,833	83,804
		<u>11,137,305</u>	<u>16,570,110</u>
16	Cost of raw materials, components, consumables and packing materials consumed		
	Inventory at the beginning of the year	29,408,704	21,222,772
	Add: Purchases	66,262,540	182,727,020
		<u>95,671,244</u>	<u>203,949,792</u>
	Less: Inventory at the end of the year	32,649,178	29,408,704
		<u>63,022,066</u>	<u>174,541,088</u>
	Details of raw materials, components, consumables and packing materials consumed:		
	PCB Assy-CAT6	11,622,294	18,068,814
	Special Alloy	9,935,972	34,508,174
	Contacts	4,990,217	20,980,117
	Others	36,473,583	100,983,983
		<u>63,022,066</u>	<u>174,541,088</u>
		March 31, 2012	September 30, 2011
		Rs.	Rs.
	Details of Inventory		
	Raw materials, components, consumables and packing materials:		
	Special Alloy	12,450,559	8,864,941
	Patch cables	6,486,318	1,891,753
	Plastics	3,560,433	3,679,517
	Contacts	2,075,661	3,795,063
	Others	8,076,207	11,177,430
		<u>32,649,178</u>	<u>29,408,704</u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

		October 1, 2011 to March 31, 2012 (Rs.)	October 1, 2010 to September 30, 2011 (Rs.)
17	Details of purchase of traded goods		
	Cables	67,094,068	202,322,938
	Connector and Patch Cords	26,410,073	89,927,574
	Others	24,305,578	68,381,850
		<u>117,809,719</u>	<u>360,632,362</u>
		March 31, 2012 Rs.	September 30, 2011 Rs.
18	(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods		
	Inventories at the end of the year		
	Traded goods	55,785,085	47,255,550
	Work-in-progress	8,822,080	3,163,868
	Finished goods	24,766,183	13,040,288
		<u>89,373,348</u>	<u>63,459,706</u>
	Inventories at the beginning of the year		
	Traded goods	47,255,550	30,614,429
	Work-in-progress	3,163,868	4,178,407
	Finished goods	13,040,288	11,271,540
		<u>63,459,706</u>	<u>46,064,376</u>
	Total	<u>(25,913,642)</u>	<u>(17,395,330)</u>
	Details of inventory		
	Traded goods		
	Cables	19,526,774	16,178,112
	Connector and patch cords	19,342,502	15,755,703
	Others	16,915,809	15,321,735
		<u>55,785,085</u>	<u>47,255,550</u>
	Finished goods		
	Telecom products/connectors, accessories	21,528,416	10,009,687
	Test cords	2,835,229	2,910,534
	Fibre patch cords	327,389	20,649
	Tools	75,149	99,418
		<u>24,766,183</u>	<u>13,040,288</u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

		October 1, 2011 to March 31, 2012 (Rs.)	October 1, 2010 to September 30, 2011 (Rs.)
19	Employee benefit expense		
	Salaries, wages and bonus	20,375,007	57,013,438
	Contribution to provident and other fund	1,631,978	5,582,741
	Gratuity expense	148,464	522,337
	Staff welfare expenses	471,773	1,833,741
		<u>22,627,222</u>	<u>64,952,257</u>
20	Other expenses		
	Power and fuel	987,891	2,226,607
	Repairs and maintenance		
	Plant and machinery	1,733,889	1,833,990
	Buildings	292,882	819,121
	Others	3,103,759	6,385,748
	Rent	670,171	3,572,578
	Excise duty on finished goods inventory	923,264	35,551
	Rates and taxes	1,375,541	2,343,844
	Insurance	1,280,368	3,014,588
	Professional and consultancy charges	4,010,282	6,038,947
	Management services fee	-	6,773,524
	Marketing support fee	9,927,000	-
	Payment to auditors (refer details below)	1,190,000	1,418,037
	Telephone and communication	580,496	1,811,286
	Advertisement and sales promotion	699,198	3,328,259
	Travelling and conveyance	1,821,269	6,276,794
	Commission on sales (other than sole selling agents)	4,870,183	4,151,580
	Foreign exchange fluctuation (net)	-	840,205
	Royalty/ technical fees	898,341	7,753,289
	Provision for doubtful debts and advances	9,373,025	8,435,361
	Bad debts written off	230,674	-
	Loss on assets sold/discarded (net)	-	17,701
	Freight outwards (net of recovery)	3,110,548	2,922,295
	Miscellaneous expenses	3,655,637	6,900,722
		<u>50,734,418</u>	<u>76,900,027</u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

		October 1, 2011 to March 31, 2012 (Rs.)	October 1, 2010 to September 30, 2011 (Rs.)
	Remuneration to auditor		
	As auditor:		
	Audit fee	950,000	700,000
	Tax audit fee	-	305,000
	Limited review	200,000	300,000
	Reimbursement of expenses	40,000	113,037
		<u>1,190,000</u>	<u>1,418,037</u>
21	Depreciation and amortization expense		
	Depreciation of tangible assets	3,646,175	9,870,738
	Amortization of intangible assets	1,013,793	2,027,605
		<u>4,659,968</u>	<u>11,898,343</u>
22	Finance costs		
	Interest	-	261,166
		<u>-</u>	<u>261,166</u>
23	Earnings per share (EPS)		
	The following reflects the profit and share data used in basic and diluted EPS computations:		
	Net Profit for calculation of basic / diluted EPS	4,383,691	28,374,603
		<u>4,383,691</u>	<u>28,374,603</u>
		March 31, 2012 No.	September 30, 2011 No.
	Weighted average number of equity shares in calculating basic / diluted EPS	4,600,000	4,600,000
		<u>4,600,000</u>	<u>4,600,000</u>

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012**24. Segment Information****Business Segments :**

The Company has organized its operations into two major businesses: Telecommunication and IT- Networking.

Geographical Segments :

The Company's geographical areas of operations comprises of a) India, and b) other countries.

(a) PRIMARY SEGMENT INFORMATION (by Business Segment)

Particulars	Oct. 1, 2011 to March 31, 2012 Rs.	Oct. 1, 2010 to Sep.30, 2011 Rs.
Segment Revenue		
a. Telecommunication	77,594,870	214,358,079
b. IT – Networking	152,458,403	482,982,569
Net sales / income from operations	230,053,273	697,340,648
Segment Result		
a. Telecommunication	(11,831,081)	(6,957,279)
b. IT – Networking	11,724,098	35,563,326
Total	(106,983)	28,606,047
Add /(Less) : a. Interest income (net of interest expense)	9,376,640	16,225,140
b. Other un-allocable expenditure (Net of un-allocable income)	(1,018,830)	(2,710,342)
Total Profit Before Tax	8,250,827	42,120,845
Provision for taxation	3,867,136	13,746,242
Profit after tax	4,383,691	28,374,603

Other information:**i. Depreciation**

Particulars	Oct. 1, 2011 to March 31, 2012 Rs.	Oct. 1, 2010 to Sep.30, 2011 Rs.
a. Telecommunication	2,933,481	7,150,301
b. IT Networking	659,714	2,035,619
c. Unallocable	1,066,773	2,712,423
Total depreciation	4,659,968	11,898,343

ii. Segmental Assets

Particulars	March 31, 2012 Rs.	Sep. 30, 2011 Rs.
a. Telecommunication	116,482,937	148,793,236
b. IT – Networking	201,730,478	183,205,487
c. Unallocable	296,387,241	344,804,072
Total assets	614,600,656	676,802,795

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

Other information:

iii. Segmental liabilities

Particulars	March 31, 2012 Rs.	Sep. 30, 2011 Rs.
a. Telecommunication	18,732,740	27,302,894
b. IT - Networking	47,795,616	94,798,152
c. Unallocable	15,987,964	24,327,986
Total Liabilities	82,516,320	146,429,032

iv. Capital Expenditure (excluding capital advances)

Particulars	Oct. 1, 2011 to March 31, 2012 Rs.	Oct. 1, 2010 to Sep.30, 2011 Rs.
a. Telecommunication	-	691,016
b. IT - Networking	-	-
c. Unallocable	19,950	550,980
Total capital expenditure	19,950	1,241,996

(b) SECONDARY SEGMENT INFORMATION (by Geographical Segment)

Particulars	Oct. 1, 2011 to March 31, 2012 Rs.	Oct. 1, 2010 to Sep.30, 2011 Rs.
Revenue		
a. India	219,998,153	660,293,152
b. Outside India	10,055,120	37,047,496
Total Revenue	230,053,273	697,340,648
Assets		
a. India	609,455,728	673,796,412
b. Outside India	5,144,928	3,006,383
Total Assets	614,600,656	676,802,795
Capital Expenditure		
a. India	19,950	1,241,996
b. Outside India	-	-
Total Capital Expenditure	19,950	1,241,996

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012**25. Related Party Disclosure****1. Names of related parties and related party relationship****Related parties where control exists**

Holding Company	ADC GmbH., Germany (ADC Germany)
Ultimate Holding Company	TE Connectivity Ltd, Switzerland
Related Parties with whom transactions have taken place during the period	
Fellow Subsidiaries	ADC Communications Hongkong Ltd (ADC Hongkong) ADC Communications (Australia) Pty Ltd. (ADC Australia) TE Connectivity Networks Inc. (Formerly known as ADC USA Incorporated) (TE USA) ADC Telecommunications Inc., USA (ADC Telecom) ADC Telecommunications Sales Inc. (Formerly known as ADC Digital Communications Inc.) (ADC Sales, USA) ADC Telecom Equipment (Shanghai) Company Ltd (ADC Shanghai) TE Connectivity, Shanghai TE Connectivity, Wuxi, China LGC Wireless Inc (LGC Wireless) Shenzehen Century Man Communication (Shenzehen) TE Logistics GmbH, Germany (TE Logistics Germany) Tyco Electronics Corporation India Private Limited (TE Corporation) ADC Communications (SEA) Pte. Ltd. (ADC Singapore)
Key Management Personnel	Mr. Sanjay Handu, Managing Director (w.e.f. April 1, 2011)
	Mr. K. Bala Chandran, Chairman and Managing Director (Upto March 31, 2011)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

Transactions with related parties

(Amount in Rs.)

Company	Purchase of goods	Sale of goods	Commission income	Royalty & Technical Know how	Commission Expense	Sale of Assets	Managerial remuneration	Marketing support fee	reimburse-ments paid (refer note 2 below)	reimburse-ments received (refer note 2 below)	As at March 31, 2012	
											Amounts receivable	Amounts payable
For the period ended March 31, 2012												
AADC Germany	- (45,061,725)	7,504 (2,092)	- (-)	898,341 (3,237,429)	- (-)	- (-)	- (-)	- (-)	- (179,218)	- (-)	- (-)	3,600,207 (3,654,656)
ADC Telecom	- (2,238,930)	(44,251)	- (54,197)	- (4,515,860)	- (-)	- (-)	- (-)	- (-)	- (6,773,524)	- (-)	(248,605)	- (-)
ADC Australia	206,527 (114,598)	1,568,644 (3,678,349)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	798,450 (292,785)	3,164 (-)
TE USA	26,591,248 (42,301,632)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	604,356 (-)	- (-)	- (-)	3,784,775 (629,306)
ADC Sales, USA	312,480 (14,267,031)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (2,140,763)
LGC Wireless	- (-)	- (-)	- (1,812,659)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	(1,249,104)	- (-)	- (-)
TE Corporation	2,774,020 (-)	23,004,863 (128,748,069)	- (-)	- (-)	4,870,183 (2,754,660)	- (82,536)	- (-)	9,927,000 (-)	- (-)	1,601,196 (1,762,434)	5,742,335 (29,024,241)	5,010,873 (2,754,660)
ADC Singapore	- (-)	(16,437,218)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
TE Logistics Germany	45,024,887 (-)	12,830 (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)	8,174,954 (-)
Other fellow Subsidiaries	3,073,268 (2,053,340)	604,195 (5,594,290)	(-) (-)	(-) (-)	(-) (-)	(-) (-)	(-) (-)	(-) (-)	(-) (-)	(-) (-)	635,977 (2,458,408)	2,762,202 (-)
Mr. Sanjay Handu	- (-)	(-) (-)	- (-)	- (-)	- (-)	- (-)	40,000 (40,000)	- (-)	- (-)	- (-)	- (-)	- (-)
Mr. K. Bala Chandran	- (-)	(-) (-)	- (-)	- (-)	- (-)	- (-)	- (2,116,000)	- (-)	- (-)	- (-)	- (-)	- (-)
TOTAL	77,982,430 (106,037,256)	25,198,036 (154,504,269)	- (1,866,856)	898,341 (7,753,289)	4,870,183 (2,754,660)	- (82,536)	40,000 (2,156,000)	9,927,000 (-)	604,356 (6,952,742)	1,601,196 (3,011,538)	7,176,762 (32,024,039)	23,336,175 (9,179,385)

1. Figures in brackets represent amounts for previous year ended September 30, 2011.

2. Expenses reimbursed (includes management service fees, rent, freight charges etc.) have been debited / credited to the respective heads of expenses in the Statement of profit and loss.

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012**26. Leases****Operating Lease:**

The Company has non-cancellable operating leases for office premises that are renewable on a periodic basis. Lease rental expense (net of reimbursements) debited to Statement of profit and loss for the period is Rs.670,171 (September 30, 2011: Rs.3,572,578). The future minimum lease payments for operating lease for the period that the facilities are expected to be occupied is as follows:

(Amount in Rs.)

Particulars	March 31, 2012	Sep. 30, 2011
Not later than one year	1,623,645	2,164,860
Later than one year but not later than five years	-	541,215
Later than five years	-	-

27. Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for amounts to Rs. 46,641 (September 30, 2011 - Rs. Nil).

For commitments relating to lease arrangements, please refer note 26.

28. Contingent Liabilities**(Amount in Rs.)**

Particulars	March 31, 2012	Sep.30, 2011
Sales tax demands contested by the Company	11,223,615	11,223,615
Central sales tax demands contested by the Company	17,350,167	4,948,640
Excise duty demand contested by the Company	180,269	180,269
Bank guarantees	52,499,038	77,342,278

29. Earnings in foreign currency (accrual basis)**(Amount in Rs.)**

Particulars	Oct. 1, 2011 to March 31, 2012	Oct. 1, 2010 to Sep.30, 2011
Exports at F.O.B. Value	10,055,120	37,047,496
Commission	-	1,866,856
Total	10,055,120	38,914,352

30. Expenditure in foreign currency (accrual basis)**(Amount in Rs.)**

Particulars	Oct. 1, 2011 to March 31, 2012	Oct. 1, 2010 to Sep.30, 2011
Travelling	-	79,993
Management Service Fee	-	6,773,524
Royalty / technical fees	898,341	7,753,289
Others	604,356	179,218
Total	1,505,762	14,786,024

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

31. Value of imports calculated on CIF basis (Amount in Rs.)

Particulars	Oct. 1, 2011 to March 31, 2012	Oct. 1, 2010 to Sep.30, 2011
Raw materials, components, consumables and packing materials	55,429,368	116,959,392
Traded Goods	57,887,375	133,441,658
Total	113,316,743	250,401,050

32. Net dividend remitted in foreign exchange (Amount in Rs.)

Particulars	Oct. 1, 2011 to March 31, 2012	Oct. 1, 2010 to Sep.30, 2011
Period to which it relates	1 October 2010 to September 2011	1 October 2009 to September 2010
Number of non-resident shareholders	3	3
Number of equity shares held on which dividend was due	3,104,360	3,085,791
Amount remitted (Rs.)	4,656,540	4,628,687

33. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006 (Amount in Rs.)

Particulars	Oct. 1, 2011 to March 31, 2012	Oct. 1, 2010 to Sep.30, 2011
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of the accounting year		
Principal amount due to micro and small enterprises: Interest due on above:	4,878,447 -	5,787,014 -
	4,878,447	5,787,014
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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 MSMED Act, 2006.	-	-

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012**34. Imported and Indigenous raw materials, components, consumables and packing materials consumed**

Particulars	% of total consumption		Value (in Rs.)	
	October 1, 2011 to March 31, 2012	October 1, 2010 to September 30, 2011	October 1, 2011 to March 31, 2012	October 1, 2010 to September 30, 2011
Imported	51	62	32,203,715	107,366,416
Indigenously obtained	49	38	30,818,351	67,174,672
	100	100	63,022,066	174,541,088

35. Gratuity benefit plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with an insurance Company in the form of a qualifying insurance policy.

The following tables summarises the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet.

Statement of profit and loss

Net employee benefit expense (recognised in Employee Cost).

(Amount in Rs.)

Particulars	Oct. 1, 2011 to March 31, 2012	Oct. 1, 2010 to Sep.30, 2011
Current service cost	336,829	816,002
Interest cost on benefit obligation	461,503	938,780
Expected return on plan assets	(460,558)	(904,220)
Net actuarial (gain) / loss recognised in the year	(189,310)	(1,164,237)
Past service cost	-	51,080
Net benefit expense	148,464	(262,595)
Actual return on plan assets	441,784	764,647

Balance Sheet

Benefit asset / liability

(Amount in Rs.)

Particulars	March 31, 2012	September 30, 2011
Present value of defined benefit obligation	(10,539,613)	(10,451,486)
Fair value of plan assets	11,938,044	11,998,381
Plan asset / (liability)	1,398,431	1,546,895

Changes in the present value of the defined benefit obligation are as follows: (Amount in Rs.)

Particulars	October 1, 2011 to March 31, 2012	October 1, 2010 to September 30, 2011
Opening defined benefit obligation	10,451,486	16,131,170
Interest cost	461,503	938,780
Current service cost	336,829	816,002
Past service cost	-	51,080
Benefits paid	(502,121)	(6,181,736)
Actuarial (gains) / losses on obligation	(208,084)	(1,303,810)
Closing defined benefit obligation	10,539,613	10,451,486

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012

Changes in the fair value of plan assets are as follows:

(Amount in Rs.)

Particulars	Oct. 1, 2011 to March 31, 2012	Oct. 1, 2010 to Sep.30, 2011
Opening fair value of plan assets	11,998,381	17,127,265
Expected return	460,558	904,220
Contributions by employer	-	288,205
Benefits paid	(502,121)	(6,181,736)
Actuarial gains / (losses)	(18,774)	(139,573)
Closing fair value of plan assets	11,938,044	11,998,381

The Company expects to contribute Rs.Nil (previous year Rs.Nil) to gratuity in 2012-13. The total assets are insurer-managed funds. The principal assumptions used in determining gratuity obligations for the Company's plans:

(Amount in Rs.)

Particulars	Oct. 1, 2011 to March 31, 2012	Oct. 1, 2010 to Sep.30, 2011
Discount rate	8.40%	8.45%
Expected rate of return on assets	7.50%	7.50%
Salary escalation rate	7.00%	7.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts for the current and previous four periods are as follows:

(Amount in Rs.)

Description	Six months ended March 31, 2012	Twelve months ended September 30, 2011	Twelve months ended September 30, 2010	Eleven months ended September 30, 2009	Twelve months ended October 31, 2008
Defined benefit obligation	10,539,613	10,451,486	16,131,170	14,903,606	13,504,135
Plan assets	11,938,044	11,998,381	17,127,265	17,528,698	13,272,333
Surplus / (deficit)	1,398,431	1,546,895	996,095	2,625,092	(231,802)
Experience adjustment on Plan Liabilities	(208,084)	12,760	(25,849)	(95,376)	(10,871)
Experience adjustment on Plan Assets	(18,774)	(13,437)	(154,004)	4,081	37,070

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2012**13. Unhedged Foreign Exchange Exposure**

Particulars of unhedged foreign currency exposure as at the balance sheet date

Particulars	Currency	March 31, 2012		September 30, 2011	
		Amount in Foreign Currency	Amount in INR	Amount in Foreign Currency	Amount in INR
Amounts Payable	USD	434,051	22,204,520	429,479	21,021,991
	EURO	1,590	108,662	1,500	100,206
	AUD	60	3,164	-	-
Amounts Receivable	USD	100,573	5,144,928	61,420	3,006,383

37. Previous period comparatives

Previous period figures have been regrouped or reclassified wherever necessary to conform to current period's classification. The current period figures are for the six months period ended March 31, 2012 and hence not comparable with those of the previous year ended September 30, 2011.

As per our report of even date.

For S.R. Batliboi & Associates
Firm Registration No.: 101049W
Chartered Accountants

per Adarsh Ranka
 Partner
 Membership No.: 209567

Sanjay Handu
 Managing Director

Place : Bangalore
 Date : May 04, 2012

Place : Bangalore
 Date : May 04, 2012

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

S. Viswanath
C.P. Rangachar
N. Srinivasan
 Directors

R. Ganesh
 Company Secretary

**BALANCE SHEET ABSTRACT AND
COMPANY'S GENERAL BUSINESS PROFILE**

I. Registration Details

Registration No.	9313	State Code	8
Balance Sheet Date	31.03.2012		

II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	NIL

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liability	614,601	Total Assets	614,601
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Source of Funds

Paid-up Capital	46,000	Reserves & Surplus	486,084
Secured Loans	-	Unsecured Loans	-

Application of funds

Net Fixed Assets	60,884	Investments	-
Net Current Assets	441,463	Misc. Expenditure	-
Accumulated Losses	-		

IV. Performance of Company (Amount in Rs. Thousands)

Turnover	241,191	Total Expenditure	232,940
Profit before Tax	8,251	Profit after Tax	4,384
Earning per Share	0.95	Dividend Rate %	5%

V. General Names of Three Principal Products of Company (as per monetary terms)

Item Code No.	85177090
Product Description	Telecommunication Connectors / Parts / Products

Item Code No.	82079090
Product Description	Tools

Item Code No.	85444299
Product Description	Test Plugs

Item Code No.	85366990
Product Description	KM8 Punchdown Jacks (Connectors)

SHAREHOLDER INFORMATION

1 Date, Time and Venue of the Annual General Meeting

Friday, July 13, 2012 at 10.30 am
 Hotel Atria, No.1, Palace Road
 Bangalore - 560 001

2 Financial Calendar (tentative and subject to change)

Description	Dates
Financial Reporting – I Quarter Results	August 08, 2012
Financial Reporting – II Quarter Results	November 09, 2012
Financial Reporting – III Quarter Results	February 08, 2013
Financial Reporting – 2013 Year End Results	May 17, 2013
Annual General Meeting	

3 Record Date / Date of Book Closure

July 03, 2012 to July 13, 2012 (both days inclusive)

4 Dividend Payment Date

Within the statutory time limit.

5 Listing on Stock Exchanges

Bombay Stock Exchange Limited (BSE)
 Phiroze Jeejeebhoy Towers, Dalal Street
 Mumbai 400 001

6 Stock Code

BSE - 523411

7 Registrar and Transfer Agents

Karvy Computershare Private Limited
 17-24 Vittal Rao Nagar, Madhapur
 Hyderabad-500 081
 Ph: 040-23420815, 23420828
 Fax: 040-23420814
 E-mail : mailmanager@karvy.com

SHAREHOLDER INFORMATION

8 Shareholders complaints

Sl. No.	Nature of Complaints	Received	Resolved	Unresolved
1	Non receipt of share certificates / annual reports	1	1	0
2	Non receipt of Dividend Warrants	5	5	0
3	Non receipt of Annual Reports	1	1	0
4	Complaint from Stock Exchange	0	0	0
	Total	7	7	0

9. Market Price Data

Monthly high and low quotations at Mumbai Stock Exchange during the period are:

Months	ADC India price movement in BSE		BSE Sensex		ADC India price movement %		BSE Sensex Movement %	
	High	Low	High	Low	High	Low	High	Low
October-11	128	107	17,908	15,745				
November-11	124	110	17,702	15,478	-3%	2%	-1%	-2%
December-11	140	112	17,004	15,136	13%	2%	-4%	-2%
January-12	134	116	17,259	15,358	-4%	3%	1%	1%
February-12	147	117	18,524	17,061	10%	1%	7%	11%
March-12	154	130	18,040	16,920	5%	11%	-3%	-1%

10. Share Transfer System

The turnaround time for completion of transfer of shares in physical form is 30 days from the date of receipt if the documents are clear in all respects. The share transfer committee meets at frequent intervals for approving the share transfers.

11. Distribution of Shareholding as on 31st March, 2012:

Category	No. of Shareholders	% to total number of shareholders	No. of shares	% to total number of shares
1 – 100	4061	71.60	289874	6.30
101 – 200	640	11.28	115930	2.52
201 – 500	554	9.77	205160	4.46
501 – 1000	212	3.74	171657	3.73
1001 – 5000	172	3.03	379664	8.25
5001 – 10000	21	0.37	143142	3.11
Above 10001	12	0.21	3294573	71.62
Total	5672	100.00	4600000	100.00

SHAREHOLDER INFORMATION

12. Categories of Shareholders as on 31st March, 2012:

Category	No. of Shareholders	Total Shares	Percentage to Total
Foreign Collaborators – Promoter	3	3104360	67.49
Non Resident Indians	43	33503	0.73
Foreign Institutional Investors	0	0	0.00
Mutual Funds	4	700	0.02
Banks	4	380	0.01
Bodies Corporate	152	97251	2.11
Corporate Bodies Overseas Co	0	0	0.00
Public	5466	1363806	29.64
Total	5672	4600000	100.00

13. Dematerialisation of Shares

67.49% of the paid up capital is held by ADC GmbH, ADC Telecommunications Inc., and TE Connectivity Ltd. The balance 32.51% of the paid up capital is held by Public.

4510885 shares representing 98.06% of the paid-up capital (including 100% of the Promoter Shareholding) have been dematerialized as on 31st March, 2012.

14. Outstanding ADR/GDR/Convertible : NIL

15. Plant location

No.10(C), II Phase, Peenya Industrial Area

Bangalore 560 058

Ph: 28396101

Fax: 28396104

16. Address for correspondence

Members can contact the Compliance Officer at the following address:

Mr. R. Ganesh

ADC India Communications Limited

No.10(C), II Phase, Peenya Industrial Area

Bangalore 560 058

Ph: 28396101

Fax: 28396104

Email: r.ganesh@te.com

ADC INDIA COMMUNICATIONS LIMITED
10(C), II Phase, Peenya, Bangalore - 560 058

ATTENDANCE SLIP

Twenty Forth Annual General Meeting July 13, 2012

Regd. Folio No.....

No. of Shares held.....

I hereby record my presence at the Twenty Fourth Annual General Meeting of the Company at Hotel Atria, No. 1, Palace Road, Bangalore 560 001 at 10.30 a.m. on July 13, 2012.

Member's / Proxy's Name

Signature of Member / Proxy

Note: Please fill in this attendance slip and hand it over at the ENTRANCE OF THE MEETING HALL. Members are requested to bring copies of the Annual Report to the Meeting.

ADC INDIA COMMUNICATIONS LIMITED
10(C), II Phase, Peenya, Bangalore - 560 058

PROXY FORM

I/We.....being a Member / Members of
ADC India Communications Limited, hereby appoint.....
.....as my / our proxy to vote for me/ us on
my / our behalf at the Twenty Fourth Annual General Meeting of the Company to be held at Hotel
Atria, No. 1, Palace Road, Bangalore 560 001 at 10.30 am on July 13, 2012.

Signed this.....day of.....2012

Note: This form, in order to be effective, should be duly completed signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the Meeting.

