



ADC/2023-24/AGM/Notice & Annual Report

July 5, 2023

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

Dear Sir/Madam

**Sub: Notice of 35th Annual General Meeting and Annual Report for Financial Year 2022-23**

**Ref: Scrip Code: 523411**

The 35th Annual General Meeting of the Company will be held on Monday, July 31, 2023 at 11.00 AM IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI).

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the following:

1. Notice of the 35th Annual General Meeting
2. Annual Report for the Financial Year 2022-23

In compliance with MCA Circulars and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/2023/4 dated January 5, 2023, the Notice of the 35th Annual General Meeting along with the Annual Report for the financial year 2022-23 are being sent only through electronic mode to those members whose email addresses are registered with the Company/Company's Registrar and Transfer Agent, KFin Technologies Limited/ Depository Participant(s).

Further, the aforesaid documents will be made available on the website of the Company at [www.adckcl.com](http://www.adckcl.com).

This is for your information and records.

Thanking you,

Yours faithfully,

**For ADC India Communications Limited**

**R. Ganesh  
Company Secretary**

**ADC India Communications Limited**

**CIN: L32209KA1988PLC009313**

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

**Email: [support@adckcl.com](mailto:support@adckcl.com) Website: [www.adckcl.com](http://www.adckcl.com)**

## ADC INDIA COMMUNICATIONS LIMITED

CIN: L32209KA1988PLC009313

Registered Office: 10C, 2nd Phase, 1st Main, Peenya Industrial Area, Bangalore – 560 058  
Tel: 91 80 28396102 / 28396291, Email: support@adckcl.com, Website: www.adckcl.com

### NOTICE TO MEMBERS

Notice is hereby given that the 35th Annual General Meeting (AGM) of the Members of ADC India Communications Limited will be held on Monday, July 31, 2023 at 11.00 a.m. (IST) through Video Conferencing / Other Audio-Visual Means (“VC/OAVM”) to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2023 including Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and the Cash Flow Statement for the Financial Year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend of Rs. 4.00 per equity share for the financial year ended March 31, 2023.
3. To appoint a Director in place of Mr. Ravi Bosco Rebello (DIN:07868872), who retires by rotation and being eligible, offers himself for re-appointment.

#### SPECIAL BUSINESS:

4. **Appointment of Mr. Rakesh Kishore Bhanushali as a Non-Executive Director of the Company.**

To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013 (“the Act”) and Regulation 17(1)(C) of the Securities and Exchange Board of India ( Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations’) and/ or any other applicable provisions of the Act and/or the Listing Regulations (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Nomination and Remuneration Committee, Mr. Rakesh Kishore Bhanushali (DIN:07220290), who was appointed as an Additional Director of the Company by the Board of Directors with effect from June 17, 2023 in terms of section 161 of the Act and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act, proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director (Non-

Executive and Non-Independent), liable to retire by rotation.”

5. **Material Related Party Transaction(s) with CommScope India Private Limited.**

To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), the applicable provisions of the Companies Act, 2013 (“**Act**”), if any, read with related rules, if any, each as amended from time to time and the Company’s Policy on Related Party Transactions, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee constituted/ to be constituted by the Board) to continue with the existing contract(s) / arrangement(s) / transaction(s) and/ or enter into new contract(s)/arrangement(s)/ transaction(s) as mentioned in the explanatory statement, with CommScope India Private Limited (“**CIPL**”), a related party under section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, on such terms and conditions as may be agreed between the Company and CIPL, for an aggregate value up to Rs.7200 lakhs for purchase of goods, sale of goods, payment of sales commission and reimbursement of expenses during the financial year 2023-24, subject to such contract(s)/arrangement(s)/transaction(s) being carried out on arm’s length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contract(s), agreements(s) and such other documents and take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be

---

deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to the Managing Director, Chief Financial Officer or any other Officer(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board, or any person so authorized by the Board, in connection with any matter referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects.”

6. **Material Related Party Transaction(s) with CommScope Czech Republic S R O**

To consider, and if thought fit, to pass the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Regulation 23(4) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**Listing Regulations**”), the applicable provisions of the Companies Act, 2013 (“**Act**”), if any, read with related rules, if any, each as amended from time to time and the Company’s Policy on Related Party Transactions, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall be deemed to include any Committee constituted / to be constituted by the Board) to continue with the existing contract(s)/arrangement(s)/transaction(s) and/or enter into new contract(s)/arrangement(s)/transaction(s) as detailed in the explanatory statement, with CommScope Czech Republic S R O (“**CCRS**”), a related party under section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, on such terms and conditions as may be agreed between the Company and CCRS, for an aggregate value up to Rs.1700 lakhs for purchase of goods and sale of goods, during the financial year 2023-24, subject to such contract(s)/arrangement(s)/transaction(s) being carried out on arm’s length basis and in the ordinary course of business of the Company.

**RESOLVED FURTHER THAT** the Board, be and is hereby authorized to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contract(s), agreements(s) and such other documents and take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give

effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to the Managing Director, Chief Financial Officer or any other Officer(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution.

**RESOLVED FURTHER THAT** all actions taken by the Board, or any person so authorized by the Board, in connection with any matter referred to or contemplated in the foregoing resolution, be and are hereby approved, ratified and confirmed in all respects.”

**By Order of the Board of Directors  
For ADC India Communications Limited**

Place : Bangalore

Date : June 16, 2023

**R. Ganesh**

Company Secretary

**NOTES:**

1. The Explanatory statement pursuant to section 102 of the Companies Act, 2013 (“the Act”) setting out material facts concerning the business under Item Nos.4, 5 and 6 of the Notice is annexed hereto and forms part of this Notice. The Board of Directors of the Company has considered and decided that the Special Business under Item Nos.4, 5 and 6, being considered unavoidable, be transacted at the AGM of the Company.
2. The Ministry of Corporate Affairs, Government of India (“MCA”) vide its General Circular Nos. 20/2020 and 10/2022 dated 5th May 2020 and 28th December 2022, respectively, and other circulars issued in this respect (“MCA Circulars”) allowed, inter-alia, conduct of AGMs through Video Conferencing/ Other Audio-Visual Means (“VC / OAVM”) facility on or before 30th September 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No.20/2020. The Securities and Exchange Board of India (“SEBI”) also vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 (“SEBI Circular”) has provided certain relaxations from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In compliance with these Circulars, provisions of the Act and the Listing Regulations, the 35th AGM of the Company is

being conducted through VC / OAVM facility, without the physical presence of Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company.

3. The Company has availed the services of KFin Technologies Limited, the Registrar and Share Transfer Agent of the Company (“KFinTech”), for providing the facility for voting through remote e-voting, for participation in the 35th AGM through VC / OAVM facility and e-voting facility during the AGM.
4. In line with the MCA Circulars and SEBI Circular, the Notice of the 35th AGM along with the Annual Report for the financial year 2022-23 is being sent by electronic mode to those Members whose email addresses are registered with the Company / Depository Participant(s), unless any Member has requested for a hard copy of the same. Members may note that the Notice of the 35th AGM and the Annual Report for the financial year 2022-23 will be available on the website of the Company at [www.adckcl.com](http://www.adckcl.com), on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of KFinTech at <https://evoting.kfintech.com/public/Downloads.aspx>.  
In case any Member is desirous of obtaining hard copy of the Notice of the 35th AGM and the Annual Report for the financial year 2022-23, may send request to the Company’s email address at [support@adckcl.com](mailto:support@adckcl.com) mentioning Folio No./DP ID and Client ID.
5. A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM, in terms of the MCA Circulars, the facility for appointment of proxies by the Members under section 105 of the Act will not be available for this AGM.
6. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, July 25, 2023 to Monday, July 31, 2023 (both days inclusive).
8. The dividend, as recommended by the Board of Directors, if declared at the 35th AGM, will be paid on or after August 10, 2023, to those Members who hold shares in physical form and whose name appears on the Company’s Register of Members as holders of Equity Shares on Monday, July 24, 2023 and in respect of shares held in dematerialized form, to the Beneficial Owners of the shares as at the close of business hours on Monday, July 24, 2023 as per details to be furnished by National Securities Depository Limited (“NSDL”) and Central Depository Services (India) Limited (“CDSL”).

Payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. Cheques/ Demand drafts will be dispatched to the registered address of the Members who have not updated their bank account details.

To avoid delay in receiving the dividend and to receive the dividend directly into their bank account on the payout date, Members are requested to register their complete Bank details:

- a. with the Depository Participant(s) with whom they maintain their demat accounts, if the shares are held in dematerialized form, by submitting the documents as may be required by the Depository Participant(s) and
  - b. with KFinTech, if shares are held in physical form, by submitting scanned copy of the signed request letter containing Member’s name, folio number, Bank account number, Bank and Branch Name and address, MICR number, IFSC Code and self-attested copy of PAN card and cancelled cheque leaf by e-mail to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
9. Pursuant to the relevant provisions of the Income-tax Act, 1961 (“the IT Act”), dividend income is taxable in the hands of the Members and the Company is required to deduct tax at source (“TDS”) from dividend paid to Members at rates prescribed in the IT Act. In general, to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential Status, PAN, Category as per the IT Act with their Depository Participant(s) for shares held in dematerialized form and in case shares are held in physical form, with KFinTech by sending email to their email address at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com). A separate email had been sent to the registered email addresses of the Members describing the detailed process to submit the documents / declarations in respect of deductions of tax at source on the dividend payout. Sufficient time has been provided for submitting the documents / declarations by the Members who are desiring to claim beneficial tax treatment.
  10. Pursuant to the provisions of Section 124 of the Act, the amount of dividend remaining unpaid or unclaimed for a period of seven consecutive years from the date of transfer to the unpaid dividend account of the Company is required to be transferred to the Investor Education and Protection Fund (“IEPF”) established by the Central Government. During the Financial Year 2022-23, the Company transferred unpaid or unclaimed dividend amounts of Rs. 1,207,792/- and Rs.45,103/- pertaining to the Interim dividend and Final dividend for the financial year 2014-15, respectively, to the IEPF.  
Details of unpaid / unclaimed dividends have

- 
- been uploaded on the website of the Company at [www.adckcl.com](http://www.adckcl.com). Members who have not claimed their dividend for financial year 2015-16 and all subsequent years are advised to write to KFinTech and claim their dividend(s).
11. Pursuant to the provisions of Section 124 of the Act and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended, all shares in respect of which dividend remains unpaid or unclaimed for seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, 2065 equity shares of Rs.10/- each on which the dividend remained unpaid or unclaimed for seven consecutive years, were transferred to the IEPF Account during the financial year 2022-23, after following the procedure prescribed under the IEPF Rules. Details of shares so far transferred to the IEPF Account are available on the website of the Company at [www.adckcl.com](http://www.adckcl.com) and on the website of the IEPF Authority at [www.iepf.gov.in](http://www.iepf.gov.in). Further, Members who have not claimed their dividend(s) in the last seven consecutive years from 2015-16 are advised to claim the same. In case a valid claim is not received, the Company will proceed to transfer the corresponding shares to the IEPF Account in accordance with the procedure prescribed under the IEPF Rules..
  12. To support the Green Initiatives, the Members who have not yet registered their email addresses are requested to register their email addresses with their Depository Participants in case shares are held by them in dematerialized form and with KFinTech in case the shares are held by them in physical form for receiving all communication from the Company/Registrar and Transfer Agent electronically.
  13. As per the provisions of section 72 of the Act, the facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form and who have not yet registered their nomination may register the same by submitting Form SH-13 to KFinTech or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialised form, the nomination form may be filed with the respective Depository Participant(s). The said forms can be downloaded from the website of the Company and from the website of KFinTech.
  14. SEBI has mandated that securities of listed companies can be transferred only in dematerialised form. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form, for ease in portfolio management.
  15. Members are requested to address all correspondence, including dividend related matters to Company's Registrar and Share Transfer Agent, KFin Technologies Limited, unit ADC India Communications Limited, Selenium Tower B, Plot No.31&32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad- 500 032 or write to them at their e-mail id: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  16. SEBI has mandated furnishing of PAN, KYC details (Postal address with Pin Code, email address, Mobile Number and Bank Account details) and nomination by holders of physical securities for their corresponding folio numbers by September 30, 2023. PAN is also required to be updated for participating in the securities market. Further as per applicable SEBI circular, PAN details are to be compulsorily linked to Aadhar details by the date specified by Central Board of Direct Taxes. Members are requested to submit their PAN, KYC and nomination details to KFinTech (Company's Registrar and Share Transfer Agent) through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable). The said forms are available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/investorrelations/investor-grievance-redressal-relations-contacts.htm> and on the website of KFinTech. In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, KFinTech shall be constrained to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. If the securities continue to remain frozen as on December 31, 2025, the registrar / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002. Members holding shares in dematerialized form are requested to submit their PAN or intimate all changes pertaining to their bank details, mandates, nomination, change of address, email address, contact numbers, specimen signature (as applicable) etc. to their Depository Participant ("DP").
  17. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement;
-

- sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/65 dated May 18, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be. The said forms can be downloaded from the website of the Company at <https://www.adckcl.com/in/en/aboutus/investorrelations/investor-grievance-redressal-relations-contacts.htm> and from the website of KFinTech.
18. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to KFinTech, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialised form..
  19. Corporate/Institutional Members intending to authorize their representatives to participate in the AGM through VC and vote either through remote e-voting or voting during the AGM are required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., to the Scrutinizer by email to [sree@sreedharancs.com](mailto:sree@sreedharancs.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above-mentioned documents should be in the naming format "ADC India Communications Limited 35th Annual General Meeting".
  20. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under section 170 of the Act and the Register of Contracts and Arrangements in which the Directors are interested maintained under section 189 of the Act shall be made available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [support@adckcl.com](mailto:support@adckcl.com).
  21. Details as required under Regulation 36 (3) of the Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India in respect of Director who is proposed to be appointed/re-appointed are provided in the annexure to this Notice.
  22. Since the AGM will be held through VC/OAVM in accordance with the Circulars, the Route Map, Attendance Slip and Proxy Form are not attached to this Notice.
  23. Instructions for attending AGM through VC / OVAM and remote e-voting (before and during the AGM) are given below:
    - A. Instructions for attending the AGM through VC/OAVM**
      - i. The Members will be provided with a facility to attend the AGM through VC / OAVM or view the live webcast of AGM provided by KFin Technologies Limited (KFinTech) at <https://emeetings.kfintech.com> by using their remote e-voting login credentials. After logging in, click on the Video Conference tab and select the EVEN ("E-voting Event Number") / Name of the Company to join the meeting.
      - ii. Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice.
      - iii. The Facility of joining the AGM shall open 15 minutes before the time scheduled for the AGM and shall be closed on expiry of 15 minutes from the scheduled time of the AGM.
      - iv. Members can participate in the AGM through Desktops / Laptops / Smartphones etc. However, for better experience and smooth participation, it is advisable to join the meeting through Desktops / Laptops with high-speed internet connectivity.
      - v. Members will be required to grant access to the webcam to enable two-way video conferencing and use internet with good speed to avoid any disturbance during the meeting.
      - vi. Members connecting from Mobile Devices or Tablets or through Laptops via Mobile Hotspot may experience audio/video loss due to fluctuation in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforementioned glitches.
      - vii. **Post your Question:** Members who would like to express their views or ask questions prior to the AGM may log into <https://emeetings.kfintech.com> using e-voting credentials provided in the e-mail received from KFinTech and click on "Post your Questions". Thereafter, the Members may post their queries/views/questions in the window provided therein by mentioning their name, demat account number/folio number, e-mail id and mobile number. "Post Your Questions" option will open on Friday, July 28, 2023 at 9:00 a.m. and close on Saturday, July 29, 2023 at 5:00 p.m.
      - viii. **Speaker Registration:** Members who would like to express their views or ask questions during the AGM may register themselves

---

as a speaker by logging on to <https://emeetings.kfintech.com> using e-voting credentials provided in the e-mail received from KFinTech and clicking on the 'Speaker Registration' tab available on the screen after log in. The Speaker Registration will open on Friday, July 28, 2023 at 9:00 a.m. and close on Saturday, July 29, 2023 at 5:00 p.m. Only those Members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, to ensure smooth conduct of the 35th AGM.

- ix. A video guide assisting the Members attending the AGM either as a speaker or participant is available for quick reference at URL <https://emeetings.kfintech.com> under the "How it Works" tab placed on top of the page.
- x. Institutional Investors who are Members of the Company, are encouraged to participate in the 35th AGM through VC / OAVM facility and exercise their vote on the resolutions.
- xi. Members who need assistance before or during the meeting, may contact KFinTech at [emeetings@kfintech.com](mailto:emeetings@kfintech.com) or call helpline toll free no.: 1800 309 4001.

OTB Based Login: Along with User ID and Password option, members can also use the "Registered Mobile with Folio" to login on the e-meeting web page. If mobile number is not registered with folio. You are requested to follow the instructions below:

- a. For Members holding shares in demat mode, please contact your respective Depository participant.
- b. For Members holding shares in physical mode, kindly submit ISR1 form with required documents with KFinTech.

#### **B. Instructions for remote e-voting**

- i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of SEBI Circular number SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to "e-voting Facility Provided by Listed Entities", the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by KFin Technologies Limited (KFinTech), on all the resolutions set forth in this Notice.

- ii. The remote e-voting period commences on Friday, July 28, 2023 at 9:00 a.m. IST and ends on Sunday, July 30, 2023 at 5:00 p.m. (IST). During this period, Members holding shares in either physical mode or in dematerialized mode, as on the cut-off date of Monday, July 24, 2023, may cast their vote electronically as per the process detailed in this Notice. The remote e-voting module shall be disabled by KFinTech for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.
- iii. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e., July 24, 2023.
- iv. Any person holding shares in physical mode and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of the AGM and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@Kfintech.com](mailto:evoting@Kfintech.com). However, if you are already registered with KFinTech for remote e-Voting, then you can use your existing User ID and password for casting your vote.
- v. In case of Individual Members holding shares in demat mode and who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of the AGM and holding shares as of the cut-off date may follow steps mentioned below under "Login method for Individual Members holding securities in demat mode".
- vi. The details of the process and manner for remote e-Voting are mentioned below:

Step 1: Access to Depositories e-voting system in case of individual Members holding securities in demat mode.

Step 2: Access to KFinTech e-voting system in case of Members holding securities in physical mode and non-individual Members holding securities in demat mode.

#### **Step 1: Login method for individual Shareholders holding securities in Demat Mode:**

In terms of SEBI Circular dated December 9, 2020 on e-voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-voting facility.

Type of Shareholders	Login Method
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p><b>1. User registered for IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>i. Open URL: <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a> either on a personal computer or mobile phone</li> <li>ii. Click on the “Beneficial Owner” icon under “Login” available under ‘IDeAS’ section.</li> <li>iii. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting”.</li> <li>iv. Click on company name or e-Voting service provider - KFinTech and you will be re-directed to KFinTech e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol> <p><b>2. User not registered for IDeAS e-Services</b></p> <ol style="list-style-type: none"> <li>i. To register, open <a href="https://eservices.nSDL.com">https://eservices.nSDL.com</a></li> <li>ii. Select “Register Online for IDeAS” or click on <a href="https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>iii. Proceed with completing the required fields.</li> <li>iv. Upon successful registration, follow steps given in point 1 above.</li> </ol> <p><b>3. By visiting the e-Voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>i. Open URL: <a href="https://www.evoting.nSDL.com/">https://www.evoting.nSDL.com/</a> either on a personal computer or mobile phone.</li> <li>ii. Click on the icon “Login” which is available under ‘Shareholder/Member’ section.</li> <li>iii. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number held with NSDL), Password / OTP and a Verification Code as shown on the screen.</li> <li>iv. Post successful authentication, you will be redirected to NSDL Depository site where you can see e-voting page.</li> <li>v. Click on company name or e-voting service provider name - KFinTech and you will be redirected to KFinTech e-Voting website for casting your vote during the remote e-Voting period.</li> </ol>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<p><b>1. Existing user who have opted for Easi / Easiest</b></p> <ol style="list-style-type: none"> <li>i. Visit URL: <a href="https://web.cdslindia.com/myeasinew/home/login/">https://web.cdslindia.com/myeasinew/home/login/</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a>.</li> <li>ii. Click on New System Myeasi</li> <li>iii. Login with your user id and password.</li> <li>iv. On successful login of Easi/Easiest, option will be made available to reach e-voting page.</li> <li>v. Click on e-Voting service provider name - KFinTech to cast your vote.</li> </ol>



Type of Shareholders	Login Method
	<p><b>2. User not registered for Easi/Easiest</b></p> <ul style="list-style-type: none"> <li>i. Option to register is available at <a href="https://web.cdslindia.com/myeasineew/Registration/EasiRegistration/">https://web.cdslindia.com/myeasineew/Registration/EasiRegistration/</a></li> <li>ii. Proceed with completing the required fields.</li> <li>iii. Follow steps given in point 1 above.</li> </ul> <p><b>3. By visiting the e-Voting website of CDSL</b></p> <ul style="list-style-type: none"> <li>i. Visit URL: <a href="http://www.cdslindia.com">www.cdslindia.com</a></li> <li>ii. Provide your demat account Number and PAN No.</li> <li>iii. System will authenticate user by sending OTP on registered Mobile &amp; Email as recorded in the demat account.</li> <li>iv. After successful authentication, user will be provided links for the respective e-voting service provider, i.e KFinTech where the e-Voting is in progress.</li> </ul>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<ul style="list-style-type: none"> <li>i. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL /CDSL for e-Voting facility.</li> <li>ii. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-voting feature.</li> <li>iii. Click on options available against company name or e-Voting service provider–KFinTech and you will be redirected to e-Voting website of KFinTech for casting your vote during the remote e-Voting period.</li> </ul>

**Important Note:** Members who are unable to retrieve User ID / Password are advised to use Forget user ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login Type	Helpdesk Details
Individual Members holding Securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no. 1800 1020 990 or 1800 22 44 30
Individual Members holding Securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

**Step 2: Login method for e-Voting for Members other than individual Members holding securities in demat mode and Members holding securities in physical mode.**

**A.** Members whose email IDs are registered with the Company/ Depository Participants (s), will receive an email from KFinTech which will include details of E-Voting Event Number (EVEN), USER ID and password. Members have to follow the following process:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com>.
- ii. Enter the login credentials (i.e., User ID and password mentioned in the mail). In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFinTech for e-voting, you can use your existing User ID and password for casting the vote.
- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc., on your first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT" i.e., "ADC India Communications Limited-Annual General Meeting" and click on "Submit".
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off

Date i.e., Monday, July 24, 2023 under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each of the folios/demat accounts.
- ix. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on all the resolutions.

**B.** Members whose email IDs are not registered with the Company/Depository Participant(s), and consequently the Notice of the AGM, Annual Report and e-voting instructions could not be serviced, will have to follow the following process:

- i. Members may send an email request to KFinTech at the e-mail id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed copy of the request letter providing the e-mail address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Notice of AGM, Annual Report for 2022-23 and e-voting instructions.
- ii. After receiving the Notice of the AGM and e-voting instructions, please follow all steps as mentioned in A above to cast your vote by electronic means.
- iii. In case of any query and/or grievance relating to e-voting, Members may refer to the Frequently Asked Questions (FAQs) and e-voting user manual available at the "Downloads" section of <https://evoting.kfintech.com> or call KFinTech on toll free number 1800 309 4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com) for any further clarifications.

### C. Instructions for voting at the AGM

- i. Members, who are present in the AGM through VC/OAVM and have not cast their vote on resolutions through remote e-voting and are otherwise not barred from doing so, are eligible to vote through e-voting at the AGM.
- ii. E-voting during the AGM is integrated with the VC/OAVM Platform, and no separate login is required for the same.
- iii. Members who have cast their vote through remote e-voting prior to the AGM may also attend/participate in the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolutions again at the AGM.
- iv. An icon "Vote" will be displayed on the left-hand bottom corner on the Meeting screen. This icon will be activated on the instructions of the Chairman during the AGM proceedings. Members can then click on this icon, and they will be taken to the "Instapoll" page for casting their vote. On clicking the "Instapoll" icon, Members will reach the resolutions page. Please follow the instructions given and vote on the resolutions.

### D. Other Instructions

- a. The Members, whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on Monday, July 24, 2023, being the cut-off date, are entitled to vote on the resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- b. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on Friday, June 30, 2023 have been considered for sending the Notice of the AGM and Annual Report for 2022-23. Any person who becomes a Member of the Company subsequently and who holds shares as on the cut-off date i.e., July 24, 2023 may obtain the User ID and Password in the manner as mentioned below:
  - i. If the mobile number of the Member is registered against Folio No./ DP ID Client ID, the Member may send SMS: MYEPWD <space> E-Voting Event Number+ Folio number or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD<SPACE>IN12345612345678

Example for CDSL:

MYEPWD<SPACE>1402345612345678

Example for Physical:

MYEPWD<SPACE>XXXX1234567890

- ii. If e-mail address or mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of <https://emeetings.kfintech.com/>, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
- c. A Member can opt for only a single mode of voting i.e., through remote e-voting or voting at the AGM. If a Member cast votes by both modes, then voting done through remote e-voting shall prevail and vote cast at the Meeting shall be treated as invalid.
- d. The Board of Directors of the Company has appointed Mr.V.Sreedharan (FCS 2347;CP 833), or failing him, Mr. Pradeep B Kulkarni (FCS 7260;CP 7835), or failing him, Ms. Devika Sathyanarayana (FCS 11323;CP 17024), Partners of M/s V Sreedharan and Associates, Practicing Company Secretaries as the Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.
- e. The scrutinizer shall, after the conclusion of voting at the AGM, unblock and count the votes cast during the AGM and votes cast through remote e-voting and shall make a consolidated Scrutinizer's Report of the total votes cast in favour or against, invalid votes, if any, to the Chairman or a person authorized by him, who shall the countersign and declare the results of the voting forthwith.
- f. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company at [www.adckcl.com](http://www.adckcl.com) and on the website of KFinTech at <https://evoting.kfintech.com> after the declaration of Results by the Chairman or a person authorized by him. The Results shall also be immediately forwarded to BSE Limited, where the shares of the Company is listed.

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No. 4

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at

their meeting held on June 16, 2023 has appointed Mr. Rakesh Kishore Bhanushali (DIN: 07220290) as an Additional Director (Non-Executive and Non-Independent) of the Company with effect from June 17, 2023. ("the Act"). As per the provisions of section 161 of the Act and the Articles of Association of the Company, Mr. Rakesh Kishore Bhanushali holds office up to the date of the 35th Annual General Meeting of the Company. The Company has received a notice in writing from a Member of the Company under Section 160 of the Act proposing the candidature of Mr. Rakesh Kishore Bhanushali for the office of Director of the Company.

Mr. Rakesh Kishore Bhanushali is not disqualified from being appointed as a Non-Executive Director of the Company in terms of section 164 of the Act and has given his consent to act as a Director of the Company. He is not debarred from holding the office of a Director by virtue of any order of the Securities and Exchange Board of India or any other such authority.

Mr. Rakesh Kishore Bhanushali, aged 47 years, is a Chartered Accountant and a member of the Institute of Chartered Accountants of India. Mr. Rakesh Kishore Bhanushali has done Business Strategy and Leadership program from Indian School of Business, Hyderabad (ISB) with on-the-job action learning project. He has over 25 years of extensive experience in various areas of Finance and General Management. He was the Chief Financial Officer of the Company till June 16, 2023.

The Board of Directors is of the opinion that Mr. Rakesh Kishore Bhanushali's knowledge, expertise and experience will be of immense benefit and value to the Company, and it would be in the interest of the Company to appoint him as a Director of the Company.

Mr. Rakesh Kishore Bhanushali does not hold any equity shares of the Company by himself or on beneficial basis for any other person as on date of this Notice.

Details required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India are provided in the Annexure to the Notice.

Except Mr. Rakesh Kumar Bhanushali, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out in the Notice.

The Board of Directors recommends the Ordinary Resolution set out in Item No.4 of the Notice for the approval of the Members of the Company.

#### Item No. 5

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022 states that all Material Related Party Transactions with an aggregate value exceeding Rs.1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require prior approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and on an arm's length basis.

CommScope India Private Limited is a related party within the meaning of section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations.

The Members of the Company, through postal ballot, on October 6, 2021, approved the material Related Party Transactions of the Company with CommScope India Private Limited ("CIPL") for an amount not exceeding Rs. 7200 lakhs towards purchase of goods and materials in the ordinary course of business and on an arm's length basis to be entered into during the financial year 2021-22 and each subsequent financial year.

The Company continues to carry out existing Contracts/arrangements/transactions and/or would enter into new Contracts/arrangements/transactions with CIPL for purchase of goods, sale of goods, payment of sales commission and reimbursement of expenses in the ordinary course of business of the Company during the financial year 2023-24. These transactions would be of materiality in nature as the value of these transactions is likely to exceed ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. Therefore, in terms of Regulation 23(4) of Listing Regulations the material transactions or arrangements with CIPL requires approval of the Members of the Company by way of an ordinary resolution.

Fresh approval of the Members of the Company is being sought to continue with the existing Contracts/arrangements/transactions and/or to enter into new Contracts / arrangements/ transactions with CIPL for purchase of goods, sale of goods, payment of sales commission and reimbursement of expenses in the ordinary course of business of the Company and on an arm's length basis for an aggregate value up to Rs.7200 lakhs during the financial year 2023-24.

The Audit Committee and the Board of Directors of the Company at their respective meetings held on March 21, 2023 have granted approval for entering into Related Party Transactions with CIPL for an aggregate value up to Rs.7200 lakhs during the financial year 2023-24. The Audit Committee and the Board of Directors have noted that the said

transactions are of a routine nature and will be on an arm's length basis and in the ordinary course of business.

The proposed transactions are fundamental to the Company's operations / business / revenues and hence they are in the interest of the Company and its Members.

**Information pursuant to Securities and Exchange Board of India circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021:**

Sl.No.	Description	Details
a.	Type, material terms and particulars of the proposed transaction	The transaction involves Purchase of goods, Sale of goods, Payment of Sales commission and Reimbursement of expenses for business purpose from/to CommScope India Private Limited during FY 2023-24, aggregating up to Rs.7200 Lakhs.
b.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	CommScope India Private Limited (CIPL). Both CIPL and ADC India Communications Limited are fellow subsidiaries of CommScope Holding Company, Inc.
c.	Tenure of the proposed transaction (particular tenure shall be specified)	Transactions are of recurring nature and approval is for FY 2023-24.
d.	Value of the proposed transaction	Up to Rs.7200 Lakhs.
e.	Percentage of annual consolidated turnover (considering FY 2022-23 as the immediately preceding financial year), that is represented by the value of the proposed transaction	50.38%
f.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: i) details of the source of funds in connection with the proposed transaction ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, • nature of indebtedness • cost of funds; and • tenure	Not Applicable

Sl.No.,	Description	Details
	iii) applicable terms including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and iv) the purpose for which funds will be utilized by the ultimate beneficiary of such funds pursuant to thr RPT	
g.	Justification as to why the RPT is in the interest of the listed entity	Arrangement is commercially beneficial to the Company.
h.	Valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction	Not Applicable.
i.	Any other information that may be relevant	The Company has been entering into similar transactions with CIPL in the previous years. The value of transactions in the last three financial years are as follows: FY 2020-21 - Rs. 3139.77 Lakhs FY 2021-22 - Rs. 5411.67 Lakhs FY 2022-23 - Rs. 6298.56 Lakhs

The Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve the resolution under item No.5.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested either directly or indirectly, in the Resolution mentioned in Item No.5 of the Notice.

The Board of Directors recommends the Ordinary Resolution set out in Item No.5 of the Notice for the approval of the Members of the Company.

#### Item No. 6

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), as amended vide SEBI (Listing Obligations and Disclosure Requirements (Sixth Amendment) Regulations, 2021, effective April 1, 2022 states that all Material Related Party Transactions with an aggregate value exceeding Rs.1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require prior approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and on an arm’s length basis.

CommScope Czech Republic S R O (“CCRS”) is a related party within the meaning of section 2(76) of the Companies Act, 2013 and Regulation 2(1) (zb) of the Listing Regulations.

The Company continuous to carry out existing contracts/ arrangements / transactions and / or would enter into Contracts / arrangements / transactions with CCRS for purchase of goods and sale of goods in the ordinary course of business of the Company and on an arm’s length basis during the financial year 2023-24. These transactions would be of material in nature as the value of these transactions is likely to exceed ten percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company. Therefore, in terms of Regulation 23(4) of Listing Regulations the material transactions or arrangements with CCRS requires approval of the Members of the Company by way of an ordinary resolution.

Approval of the Members of the Company is being sought to continue with the existing contracts / arrangements / transactions and/or to enter into Contracts / arrangements/ transactions with CCRS for purchase of goods and sale of goods in the ordinary course of business of the Company and on an arm’s length basis for an aggregate value up to Rs.1700 lakhs during the financial year 2023-24.

The Audit Committee and the Board of Directors of the Company at their respective meetings

held on March 21, 2023 have granted approval for entering into Related Party Transactions with CCRS for an aggregate value up to Rs.1700 lakhs during the financial year 2023-24. The Audit Committee and the Board of Directors have noted that the said transactions are of a routine nature and will be on an arm's length

basis and in the ordinary course of business. The proposed transactions are fundamental to the Company's operations/business/revenues and hence they are in the interest of the Company and its Members.

Details of the proposed transactions with CCRS are as follows:

**Information pursuant to Securities and Exchange Board of India Circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021:**

Sl.No.	Description	Details
a.	Type, material terms and particulars of the proposed transaction	The transaction involves Purchase of goods and Sale of goods for business purpose from/to CCRS during FY 2023-24, aggregating up to Rs.1700 lakhs.
b.	Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	CommScope Czech Republic S R O (CCRS). Both CCRS and ADC India Communications Limited are fellow subsidiaries of CommScope Holding Company, Inc.
c.	Tenure of the proposed transaction (particular tenure shall be specified)	Transactions are of recurring nature and approval is for FY 2023-24.
d.	Value of the proposed transaction	Up to Rs.1700 Lakhs.
e.	Percentage of annual consolidated turnover (considering FY 2022-23 as the immediately preceding financial year), that is represented by the value of the proposed transaction	12.00%
f.	If the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary: <ul style="list-style-type: none"> <li>i) details of the source of funds in connection with the proposed transaction</li> <li>ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <ul style="list-style-type: none"> <li>• nature of indebtedness</li> <li>• cost of funds; and</li> <li>• tenure</li> </ul> </li> <li>iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and</li> </ul>	Not Applicable

Sl.No.	Description	Details
	iv) the purpose for which funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	
g.	Justification as to why the RPT is in the interest of the listed entity	Arrangement is commercially beneficial to the Company.
h.	Valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction	Not Applicable
i.	Any other information that may be relevant	The Company commenced business transactions with CCRS during the financial year 2022-23. The value of transactions in FY 2022-23 was Rs.333.92 lakhs.

The Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve the resolution under item No.6.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives is concerned or interested either directly or indirectly, in the Resolution mentioned in Item No.6 of the Notice.

The Board of Directors recommends the Ordinary Resolution set out in Item No.6 of the Notice for the approval of the Members of the Company.

**By Order of the Board of Directors  
For ADC India Communications Limited**

Place : Bangalore  
Date : June 16, 2023

**R.Ganesh**  
Company Secretary



## ANNEXURE TO THE NOTICE

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE AGM PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA**

<b>Name of Director</b>	<b>Ravi Bosco Rebello</b>	<b>Rakesh Kishore Bhanushali</b>
DIN	07868872	07220290
Date of Birth	September 23, 1975	June 19, 1975
Age (in years)	47	47
Date of Appointment on the Board	August 4, 2017	June 17, 2023
Qualifications	BSC in Computer Science and Post Graduate Diploma in Management from Goa Institute of Management	Chartered Accountant
Expertise in specific functional area	Human Resource, Talent Development	Finance and General Management
Directorship held in other Public Companies	Nil	Nil
Chairmanship / Membership of committees of other public companies	Nil	Nil
Number of Board Meetings attended during the year	6 of 6	Not Applicable
Relationship between Directors inter-se	None	None
Remuneration Paid	Nil	Nil
Number of shares held in the Company as of March 31, 2023	Nil	Nil
Listed entities from which Director resigned in the past three years	Nil	Nil

# COMMSCOPE®

ADC India Communications Ltd

**2022-2023** Annual Report



now  
meets  
next



**CONTENTS**

Corporate Information.....	1
Board's Report.....	3
Annexures to Board's Report .....	10
Management Discussion and Analysis.....	17
Report on Corporate Governance .....	21
General Shareholder Information .....	35
Independent Auditors' Report.....	38
Financial Statements.....	48

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS**

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

**KEY MANAGEMENT PERSONNEL**

Mr. J.N. Mylraiah	- Managing Director
Mr. Anandu Vithal Nayak	- Chief Financial Officer
Mr. R. Ganesh	- Company Secretary

**REGISTERED OFFICE AND FACTORY**

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

**STATUTORY AUDITORS**

S R B C & CO LLP  
Chartered Accountants

**SECRETARIAL AUDITORS**

M/s. V Sreedharan and Associates  
Company Secretaries

**INTERNAL AUDITORS**

M/s. Gnanoba & Bhat  
Chartered Accountants

**BANKERS**

Bank of America

**REGISTRAR AND SHARE TRANSFER AGENT**

KFin Technologies Limited  
Selenium Building, Tower B, Plot No. 31 & 32  
Financial District, Nanakramguda  
Serilingampally, Hyderabad - 500 032  
Tel: +91 40 67162222  
Toll Free Number – 1800 309 4001  
E-mail: einward.ris@kfintech.com

CORPORATE INFORMATION

Board Of Directors



**S. Devarajan**  
Chairman and  
Independent Director



**J.N. Mylraiah**  
Managing Director



**Revathy Ashok**  
Independent Director



**Vijaya Latha Reddy**  
Independent Director



**Ravi Bosco Rebello**  
Non-Executive  
Director



**Yaman Roy**  
Non-Executive  
Director



**Rakesh Bhanushali**  
Non-Executive  
Director

Key Managerial Personnel



**J.N. Mylraiah**  
Managing Director



**Anandu Vithal Nayak**  
Chief Financial Officer



**R. Ganesh**  
Company Secretary

## BOARD'S REPORT

Dear Members,

The Board of Directors have pleasure in presenting the 35th Annual Report of your Company along with the Audited Financial Statements for the financial year ended March 31, 2023.

### FINANCIAL PERFORMANCE

Highlights of the Financial Performance and State of Company's Affairs for the financial year ended March 31, 2023, are provided below:

(Rs. in lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations	14,291.25	12,071.28
Other Income	109.99	111.72
Total Income	14,401.24	12,183.00
Profit before Depreciation and Tax	1,125.90	1,167.66
Depreciation	20.99	30.85
Profit before Tax	1,104.91	1,136.81
Tax Expense	287.42	288.55
Profit after Tax	817.49	848.26
Other Comprehensive Income	0.34	3.53
Total Comprehensive Income	817.83	851.79

Your Company continued to deliver strong operational & financial performance during the financial year 2022-23 with overall revenue growth of 18% over that of the previous year. Revenue from the IT-Networking (Enterprise network) business grew by 21%, but there was a degrowth in revenue from the Telecommunication business of 26% over that of the previous year. For the full year, the Company's profit before tax stood at Rs. 1,104.91 lakhs compared to Rs.1,136.81 lakhs for the previous year. Profit after tax for the financial year was Rs.817.49 lakhs as compared to Rs.848.26 lakhs for the previous year. The growth in revenue was led by both volume as well as product mix. During the quarter ended March 31, 2023, the Company has recorded a provision of Rs.775.34 lakhs towards outstanding dues from one of its large customers who is undergoing stressful liquidity conditions. The Company is taking necessary steps to recover its dues.

### DIVIDEND

The Board of Directors has recommended a dividend of Rs.4.00 per equity share having a face value of Rs.10 each for the financial year 2022-23 for approval of the Members at the 35th Annual General Meeting of the Company ("35th AGM"). The dividend, if approved by the Members at the 35th AGM will result in cash outflow of Rs.184 lakhs.

### TRANSFER TO RESERVES

Your Company do not propose to transfer any amount to the general reserves of the Company.

### SHARE CAPITAL

During the year under review, there was no change in share capital of the Company.

### LOANS, GUARANTEES OR INVESTMENTS

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

### BUSINESS AND OPERATIONS

During the year, your Company emerged strongly with economic activity showing positive signs. ADC team demonstrated exceptional resilience in dealing with challenging times, where your Company delivered highest revenue & growth.

With full of uncertainties, it is not something that any of us would claim to predict the lingering impact of global economic scenarios with supply chain disruptions, rising interest rates accompanied with increase in costs of commodities & volatility is a real confrontation with complexity & challenges in front of your Company. At the same time, tremendous opportunities lies before your Company with growth in Data Centre business & Broadband connectivity requirements which gives great optimism about the future that holds for your company.

As always, your company is constantly determining what the mid to long term implications of each of the challenges are and how your company should respond strategically. Regardless of all the challenges, your company firmly believe that it will emerge from this, a stronger ADC India Communications than ever before by realigning cost structure and sharpen overall productivity by being a more valuable partner to our clients than ever

before. Your company Board and Risk Management Committee has always looked at worst case scenarios of times like these & built a portion of the strong financials by making the right decision which is sustainable and consistent over years.

The markets your Company serve continue to undergo disruptions where we must adapt to new market realities thoughtfully, to ensure our continued growth and success. Unfortunately, the post-pandemic economy has presented new circumstances that demand adaptability and resilience as we respond to stay ahead of the market condition. Your Company would see an impact on the Enterprise Network copper business with an increase in work from home adoption growing with office space expansion requirements coming down / going slow in the short term. However, your Company does see continued growth in Fiber Business over copper due to a multifold increase in Bandwidth requirements, with denser wireless & deeper fiber deployments across the upcoming infrastructure projects. Added to this, your Company do see inflationary pressure accelerating with steep increase in prices across commodities and raw materials like copper, stainless steel, plastics and many more items; towards which your company has been adjusting prices consistently across certain products and/or product lines.

Looking ahead, your Company is optimistic about the opportunities for work from its clients and the approach your Company has put in place with respect to Data Centre business & Broadband connectivity requirements. The investments committed both by Government & Private Players towards infrastructure growth would improve the overall business sentiment and investments in next few Quarters/years. Market is expected to improve driven by investments in Infrastructure projects, Pharma, Healthcare, Education, Banking & Finance, Defense sector, E-commerce, Manufacturing, Digital India and Smart city initiatives where your Company will be able to favorably participate in the areas of its strength within each opportunity as the market evolves.

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

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

As required by Regulation 34(2) of the Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

(“Listing Regulations”), the Management Discussion and Analysis is set out in a separate section in this Annual Report.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

As per the provisions of the Companies Act, 2013, Mr. Ravi Bosco Rebello (DIN:07868872) is liable to retire by rotation at the ensuing 35th Annual General Meeting of the Company and, being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment to the Members.

The Board, pursuant to the recommendation of the Nomination and Remuneration Committee, at its meeting held on June 16, 2023 appointed Mr. Rakesh Kishore Bhanushali (DIN:07220290) as an Additional Director (Non-Executive and Non-Independent) of the Company with effect from June 17, 2023. Pursuant to section 161 of the Companies Act, 2013 Mr. Rakesh Kishore Bhanushali will hold the office of the Additional Director up to the date of the ensuing Annual General Meeting of the Company. The Company has received a notice as per the provisions of section 160(1) of the Companies Act, 2013 from a Member in writing proposing his candidature for the office of Director. The Board has recommended his appointment to the Members of the Company at the forthcoming Annual General Meeting as Director (Non-Executive and Non-Independent) of the Company, liable to retire by rotation.

All the Independent Directors of the company have submitted declaration to the Company under Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as prescribed in section 149(6) of the Companies Act, 2013 and Regulation 16 (1)(b) of SEBI Listing Regulations, 2015. Further in terms of the Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstances or situation, which exists or may be reasonable anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. The Independent Directors have confirmed compliance of relevant provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014. In the opinion of the Board, the Independent Directors of the Company are persons of high repute & integrity and possess requisite expertise and experience in their respective fields of profession.

During the year, there were no changes in the Key Managerial Personnel of the Company. As on March 31, 2023, Mr. J.N.Mylaraiah, Managing Director; Mr. Rakesh Kishore Bhanushali, Chief Financial

Officer and Mr. R. Ganesh, Company Secretary are designated as the Key Managerial Personnel of the Company.

Mr. Rakesh Kishore Bhanushali has resigned from the position of Chief Financial Officer and Key Managerial Personnel of the Company with effect from the close of business hours of June 16, 2023. Mr. Anandu Vithal Nayak has been appointed as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from June 17, 2023.

### MEETINGS OF THE BOARD

Six meetings of the Board of Directors were held during the financial year. The particulars of the meetings held and attendance of the Directors at the meetings are provided in the Report on Corporate Governance. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Companies Act, 2013 and Listing Regulations.

### AUDIT COMMITTEE

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Company has constituted an Audit Committee. Details pertaining to the composition and terms of reference of the Audit Committee are provided in the Report on Corporate Governance. During the year under review, all the recommendations made by the Audit Committee were accepted by the Board of Directors..

### DIRECTORS' RESPONSIBILITY STATEMENT

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

- a. in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards have been followed and no material departures have been made from the same;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of March 31, 2023, and of the profits of the Company for the year ended on that date;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;

- e. they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and have been operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Considering the requirements of the skill sets on the Board, persons having professional expertise in their individual capacity as independent professionals and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination and Remuneration Committee for appointment of new Directors on the Board. The Non-Executive Independent Directors appointed on the Board are paid sitting fees for attending the Board and Committee Meetings. No other remuneration or commission is paid to the Non-Executive Independent Directors. Non-Executive Independent Directors are neither paid any sitting fees nor paid any commission. The remuneration paid to the Managing Director is governed by the relevant provisions of the Companies Act, 2013, rules of the Company and Members approval. Executive Compensation Policy Guidelines is available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/policies.html>.

### PERFORMANCE EVALUATION OF THE BOARD

During the year under review, the performance evaluation of the Board, Committees and Directors was conducted based on the criteria, framework and questionnaires approved by the Board. The details of the performance evaluation exercise conducted by the Company are set out in the Report on Corporate Governance.

### FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Independent Directors are regularly informed during the meetings of the Board and Committees on the business strategy, business activities, manufacturing operations, issues faced by the Company and regulatory changes. Directors, when they are appointed, are given a detailed orientation on the Company by the Managing Director. The details of familiarization programs provided to the Directors of the Company are mentioned in the Report on Corporate Governance and on the website of the Company at <https://www.adckcl.com/in/en/aboutus/investorrelations/other-info.htm>.

## CORPORATE GOVERNANCE

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

As required under Regulation 34 of the Listing Regulations, a Report on Corporate Governance along with a Certificate of Compliance from the Statutory Auditors of the Company is set out in a separate section in this Annual Report. General Shareholder Information is set out in a separate section in this Annual Report.

## VIGIL MECHANISM

The Vigil Mechanism of the Company is governed by Vigil Mechanism Policy established pursuant to section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Policy enables Directors, Employees and others who are associated with the Company to report to the Management of the Company instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The Policy provides adequate safeguards against victimization of Director(s) and Employee(s) who avail of the mechanism and provides for direct access to the Chairman of the Audit Committee in exceptional cases. It is affirmed that no person has been denied access to the Audit Committee. The Vigil Mechanism Policy is available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/policies.html>.

## POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance towards any form of sexual harassment at the workplace. The Company believes that all individuals have the right to be treated with dignity and strives to create a workplace which is free of gender bias and sexual harassment. As per the requirement of the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH), the Company has in place a policy on prevention of sexual harassment at workplace. The Company is committed to providing a safe and conducive work environment for all its employees. An internal committee has also been set up to redress complaints received on sexual harassment. The policy is available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/policies.html>. During the year, the Company did not receive any complaint of alleged sexual harassment.

## RISK MANAGEMENT

The Company has put in place a Risk Mitigation Processes to identify, assess and mitigation of various risks to Company's business.

The Company has constituted a Risk Management

Committee. The constitution and terms of reference of this Committee are provided in the Corporate Governance Report. The Risk Management Committee at its meeting held on March 21, 2023, discussed and reviewed the risk mitigation processes adopted by the Management to address various risks to the Company's business.

## RELATED PARTY TRANSACTIONS

The Company has formulated a policy on materiality of related party transactions and on dealing with related party transactions. The Policy on Related Party Transactions is available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/policies.html>.

All related party transactions entered during the year were in ordinary course of the business and on arm's length basis. There were no materially significant related party transactions made by the Company during the financial year, which may have a potential conflict with the interest of the Company at large.

All related party transactions are placed before the Audit Committee on a quarterly basis, specifying the nature and value of the transactions, for review and approval. Prior omnibus approval of the Audit Committee is obtained for transactions which are foreseeable and are of a repetitive nature and/or entered in the ordinary course of business and on arm's length basis.

Pursuant to the provisions of Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of the material transactions entered by the Company in the financial year are disclosed in the prescribed Form AOC-2 annexed as **Annexure A** to the Board's Report.

## INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

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

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



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

### **STATUTORY AUDITORS AND AUDITORS' REPORT**

The Members of the Company in 34th Annual General Meeting of the Company approved the appointment of M/s. SRBC & CO LLP, Chartered Accountants (ICAI Firm Registration Number 324982E/E300003) ('M/s.SRBC') as the Statutory Auditors of the Company for a term of five consecutive years i.e., from the conclusion of 34th Annual General Meeting till the conclusion of 39th Annual General Meeting. The Report given by M/s. SRBC on the Financial Statements for the financial year ended March 31, 2023, is part of the Annual Report. The Notes on the Financial Statements referred to in the Auditor's Report are self-explanatory and do not call for any comments and the Auditors Report does not contain any qualification, reservation or adverse remark.

### **SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed M/s.V. Sreedharan and Associates, Practicing Company Secretaries as the Secretarial Auditors of the Company for the financial year ending March 31, 2023. The Report given by the Secretarial Auditors is annexed as **Annexure B** to the Board's Report. The Secretarial Audit Report is self-explanatory and does not call for any comments. The Secretarial Audit Report does not contain any qualification, reservation, or adverse remark.

### **REPORTING OF FRAUD BY AUDITORS**

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors has reported any instances of fraud committed against the company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, the details of which would need to be mentioned in the Board's Report.

### **SECRETARIAL STANDARDS**

The Company has complied with all applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

## **CORPORATE SOCIAL RESPONSIBILITY**

The Company's CSR Policy The Board has constituted a Corporate Social Responsibility (CSR) Committee for implementing CSR activities of your Company. As on March 31, 2023, the CSR Committee comprised of Ms. Revathy Ashok as Chairperson and Mr.S.Devarajan, Mr. J.N.Mylaraiah and Ms. Vijaya Latha Reddy as Members. The terms of reference of the CSR Committee are provided in the Report on Corporate Governance. Your Company has also formulated a CSR Policy, which is available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/policies.html>.

In terms of the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has during the financial year 2022-23 spent over two percent of the average net profits of the Company during the three preceding financial years in accordance with the CSR Policy and amount approved by the Board of Directors on the recommendation of the CSR Committee. The Company's focus on CSR activities is pre-dominantly in the areas of Education and health. The Company implements the CSR projects through implementing partners. Annual Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as **Annexure C** to the Board's Report.

## **SUSTAINABILITY**

### **A. Environmental Progress**

Your company is proud of its accomplishments so far. Your Company is building a foundation for a more sustainable future. Your company is building the processes and systems that will be necessary to ensure that it can meet not only regulatory requirements but the goals of our customers. ADC India manufacturing facility are certified to ISO 14001:2015 for environmental management systems, and ISO 45001:2018 for health and safety management systems.

### **B. Development**

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

- Commenced in-house assembly of Copper Panels, of both Unloaded & Loaded Version.
- Introduced new design fiber cable, high density panels and Fiber armored Cable assemblies to suit customer applications.
- Introduced Cat 6 LSZH Cable assemblies.

## **INFORMATION REGARDING EMPLOYEES AND RELATED DISCLOSURES**

The statement of Disclosure of Remuneration under section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure D** to the Board's Report.

The statement of particulars employee as required under Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this report. In terms of Section 136 of the Companies Act, 2013, the Report and Financial Statements are being sent to the Members of the Company and others entitled thereto, excluding the aforesaid statement. Any Member interested in obtaining a copy of the said statement may write to the Company Secretary at the address of the Registered Office of the Company or at email address: support@adckcl.com.

## **INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

Pursuant to the provisions of section 124 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") read with the relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven consecutive years from the due date is required to be transferred to the Investor Education and Protection Fund ("IEPF") constituted by the Central Government. In terms of the IEPF Rules, during the financial year 2022-23, the Company had transferred Rs.1,207,792/- and Rs.45,103/- to the IEPF, being the unpaid and unclaimed dividend amount pertaining to the Interim dividend and Final dividend of the financial year 2014-15, respectively.

Pursuant to the provisions of the IEPF Rules, all shares in respect of which any dividend has not been paid or claimed for seven consecutive years is required to be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, the Company had during the financial year 2022-23 transferred 2065 equity shares on which dividend(s) remained unpaid or unclaimed for seven consecutive years to the Demat Account of IEPF Authority, after complying with the procedure prescribed under the IEPF Rules.

## **FOREIGN EXCHANGE EARNINGS AND OUTFLOW**

During the year under review, your Company has earned Foreign Exchange of Rs.194.40 lakhs and the Foreign Exchange outflow was nil.

## **ANNUAL RETURN**

In accordance with the provisions of Section 92(3) of the Companies Act, 2013, the Annual Return in the prescribed format is available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/investorrelations/annual-reports-and-returns.htm>.

## **MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT**

There have been no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this Report. There has been no change in the nature of business of the Company..

## **DEPOSITS FROM PUBLIC**

The Company has not accepted any deposits from the public and as such no amount of principal or interest on deposits from the public was outstanding as on the date of the Balance Sheet.

## **DEPOSITS**

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

## **COST RECORDS AND COST AUDIT**

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

## **SIGNIFICANT AND MATERIAL ORDERS**

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

## **INSOLVENCY AND BANKRUPTCY CODE, 2016**

During the year, the Company has not filed any application and no proceeding is pending against

the Company under the Insolvency and Bankruptcy Code, 2016.

**SETTLEMENT WITH BANKS OR FINANCIAL INSTITUTION**

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

**OTHER DISCLOSURES**

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

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

**ACKNOWLEDGEMENTS**

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

**On behalf of the Board of Directors**

**S.Devarajan**  
Chairman

**J.N.Mylaraiah**  
Managing Director

Place: Bangalore  
Date : June 16, 2023

## ANNEXURE A TO THE BOARD'S REPORT

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

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

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

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

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2023, which were not at arm's length basis.

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

Details of material contracts or arrangements or transactions entered into during the year ended March 31, 2023 are as given below:

Name of the Related Party and Nature of Relationship	CommScope India Private Limited - Fellow Subsidiary
Nature of Contracts / arrangements / transactions	Purchase of Goods, Sale of Goods and Payment of Sales commission for an amount not exceeding in aggregate Rs. 7,200.00 lakhs in each financial year
Duration of Contracts / arrangements / transactions	Ongoing Contracts / arrangements / transactions
Salient terms of the contracts or arrangements or transactions including the value, if any	On arm's length basis and in the ordinary course of business. The total value of the transactions in the financial year was Rs. 6,298.56 lakhs
Date(s) of approval by the Board, if any	August 24, 2021
Amount paid as advances, if any	None

The aforesaid transactions have been approved by the Audit Committee and shareholders with requisite majority.

**On behalf of the Board of Directors**

Place : Bangalore  
Date : June 16, 2023

**S.Devarajan**  
Chairman

**J.N.Mylaraiah**  
Managing Director

**ANNEXURE B TO THE BOARD'S REPORT**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED: MARCH 31, 2023**

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

To

**The Members**

**ADC INDIA COMMUNICATIONS LIMITED**

**CIN:L32209KA1988PLC009313**

**No. 10C, 2nd Phase, 1st Main**

**Peenya Industrial Area**

**Bengaluru - 560058**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ADC INDIA COMMUNICATIONS LIMITED** having **CIN:L32209KA1988PLC009313** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on March 31, 2023 (the audit period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment. The Company has not made any Overseas Direct Investment and has no External Commercial Borrowings during the period under review.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company during the Audit Period);**
  - e. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable to the Company during the Audit Period);**
  - g. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **(Not Applicable to the Company during the Audit Period);**
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period);** and
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other Laws Applicable Specifically to the Company namely:
- a. Factories Act, 1948 & the Central Rules or concerned State Rules, made thereunder.
  - b. Boilers Act, 1923 & Rules made thereunder.
  - c. Environment (Protection) Act, 1986.
  - d. The Water (Prevention and Control of Pollution) Act, 1974 & Central Rules/ concerned State Rules.
  - e. The Air (Prevention and Control of Pollution) Act, 1981 & Central Rules/ concerned State Rules.
  - f. Hazardous Wastes (Management and Handling) Rules, 1989.

We further report that based on the review of the compliance mechanism adopted by the Company for providing adequate presentations by the concerned departments' heads at the Board

Meetings, regarding compliance with the applicable laws and its adherence, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines as per the list of such laws as mentioned above in **point no. vi**.

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

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

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

We have not examined compliance with applicable Financial Laws like Direct and Indirect Tax Laws since the same have been subject to review by statutory financial audit and other designated professionals.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There are no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all Directors to schedule

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

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

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

**For V SREEDHARAN & ASSOCIATES**

**(Devika Sathyanarayana)**

Partner

FCS:11323; CP No.17024

Address: No.291,1st Floor, 10th Main Road  
3rd Block, Jayanagar, Bengaluru - 560011

UDIN number F011323D000384234

Peer Review Certificate No. 589/2019

Place : Bengaluru

Date : May 26, 2023

This report (i.e., Form No. MR-3) is to be read with our letter of even date which is annexed herewith as Annexure 1 and forms an integral part of this Report

**Annexure 1**

**To The Members**

**ADC INDIA COMMUNICATIONS LIMITED**

**No. 10C, 2nd Phase, 1st Main**

**Peenya Industrial Area, Bengaluru - 560058**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the

compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For V SREEDHARAN & ASSOCIATES**

**(Devika Sathyanarayana)**

Partner

FCS:11323; CP No.17024

Address: No.291,1st Floor, 10th Main Road  
3rd Block, Jayanagar, Bengaluru - 560011

UDIN number F011323D000384234

Peer Review Certificate No. 589/2019

Place: Bengaluru

Date : May 26, 2023

## ANNEXURE C TO THE BOARD'S REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

**1. Brief outline on CSR Policy of the Company:**

The focus areas for the CSR programs/projects to be undertaken by the Company under this policy shall be in the following areas:

- i. Environment: To undertake activities in relation to increasing accountability through investments in energy and the environment, ensuring environmental sustainability, ecological balance, conservation of natural resources etc.
- ii. Health and Wellness: To promote healthcare including preventive health care and sanitation and to undertake other activities in relation to health and wellness
- iii. Education: Fostering innovation through investment in education, vocation skills among children, women and elderly persons emphasizing on science, technology, engineering and mathematics.
- iv. Technology: To contribute to technology incubators located within academic institutions approved by the Central Government.
- v. Disaster Relief: To contribute to disaster relief efforts in compliance with legal guidelines.

**2. Composition of CSR Committee**

Sl.No.	Name of Director of Directorship	Designation/Nature meetings of CSR Committee held during the year	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Revathy Ashok	Chairperson (Non-Executive Independent Director)	1	1
2	Mr. S.Devarajan	Member (Non-Executive Independent Director)	1	1
3	Mr. J.N.Mylaraiah	Member (Managing Director)	1	1
4	Ms. Vijaya Latha Reddy	Member (Non-Executive Independent Director)	1	1

**3. Provide the web-link(s) where composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company.**

Composition of CSR Committee:

<https://www.adckcl.com/in/en/aboutus/investorrelations/board-of-directors.htm>

CSR Policy:

<https://www.adckcl.com/in/en/aboutus/policies.html>

CSR Projects:

<https://www.adckcl.com/in/en/aboutus/investorrelations/other-info.htm>

**4. Provide the executive summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not Applicable.**

5. a. Average net profit of the Company as per sub-section (5) of Section 135: Rs.701.42 lakhs.
- b. Two percent of average net profit of the Company as per sub-section (5) of Section 135: Rs.14.03 lakhs.
- c. Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: Nil.
- d. Amount required to be set-off for the financial year, if any: Nil.
- e. Total CSR obligation for the financial year [(b)+(c)-(d)]: Rs.14.03 lakhs.
6. a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): Rs.15.00 Lakhs.
- b. Amount spent in Administrative Overheads: Nil.
- c. Amount spent on Impact Assessment, if applicable: Rs. Nil.
- d. Total amount spent for the Financial Year [(a)+(b)+(c)]: Rs.15.00 lakhs.

**e. CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (Rs. in Lakhs)	Amount Unspent (in Lakhs)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
15.00	Not Applicable				

**f. Excess amount for set-off, if any:**

Sl.No.	Particular	Amount (Rs. in Lakhs)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	14.03
(ii)	Total spent for the Financial Year	15.00
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	0.97
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil*

\* The Company will not carry forward any excess amount spent during the year 2022-23.

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years: Not Applicable.**

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (Rs. in Lakhs)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (Rs. in Lakhs)	Amount Spent in the Financial Year (Rs. in Lakhs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (Rs. in Lakhs)	Deficiency If any
Not Applicable							

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No.**

**9. Specify the reason(s), if the Company has failed to spend two percent of the average net profit as per sub-section (5) of section 135: Not Applicable.**

**On behalf of the Board of Directors**

Place : Bangalore  
Date : June 16, 2023

**Revathy Ashok**  
Chairperson of CSR Committee

**J.N.Mylaraiah**  
Managing Director



## CSR ACTIVITIES



## ANNEXURE D TO THE BOARD'S REPORT

### STATEMENT OF DISCLOSURE OF REMUNERATION

**Pursuant to Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i) The Ratio of the remuneration of each Director\* to the median remuneration of the employees of the Company for the financial year.

Name of Director	Designation	Ratio to median remuneration of the employees
Mr. J.N.Mylaraiah	Managing Director	5:1

\* Independent Directors are not paid any remuneration except sitting fees for attending Board/Committee meetings. Non-executive Directors are not paid any remuneration or sitting fees. The required details are, therefore, not applicable.

- ii) The percentage increase in remuneration of each Director\*, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

Name of Employee	Designation	Percentage increase in remuneration
Mr. J.N.Mylaraiah	Managing Director	Nil
Mr. Rakesh Bhanushali	Chief Financial Officer	Nil
Mr. R. Ganesh	Company Secretary	6

\* Independent Directors are not paid any remuneration except sitting fees for attending Board/Committee meetings. Non-executive Directors are not paid any remuneration or sitting fees. The required details are, therefore, not applicable.

- iii) The percentage increase in the median remuneration of employees in the financial year: 9.46%

- iv) The number of permanent employees on the rolls of the company: 22

- v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Average percentile increase made in the salaries of employees other than the managerial personnel in the financial year was 9.46% as compared to Nil increase in the managerial remuneration.

- vi) It is hereby affirmed that the remuneration paid during the Financial Year 2022-23 is as per the Remuneration Policy of the Company.

**On behalf of the Board of Directors**

Place : Bangalore  
Date : June 16, 2023

**S. Devarajan**  
Chairman

**J.N.Mylaraiah**  
Managing Director

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY STRUCTURE AND DEVELOPMENTS

#### Telecommunication

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

Indian Mobile Industry is expected to create a higher economic value with increase in growth drivers such as Production Linked Incentive schemes for manufacturing of telecom and networking products, growing demand with increasing internet users, make in India policy for Phased Manufacturing Program (PMP) to promote domestic production of mobile handsets and the basic foundation where Optical fiber cables laid over 1,00,000 gram panchayats.

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

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

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

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

#### Enterprise

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

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

With Economic activities on upward despite lingering impact of Covid with growth coming from many sectors across the industry, where Government Sector fared better with Infrastructure projects investment & the Office Network especially from IT Consultancy & software industry got affected more and whereas on the other hand Data Centre segment performed better.

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

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

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

#### REVIEW OF OPERATING PERFORMANCE

The financial statements have been prepared in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The management of the Company accepts responsibility for the integrity and objectivity of these financial statements and the basis for the various estimates and judgments used in preparing the financial statements. Some of the key performance indicators are given below:

(Rs. in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Revenue from operations	14,291.25	12,071.28
Operating Costs	13,266.62	11,013.91
Profit before Interest, Depreciation and Tax (EBIDT)	1,024.63	1,057.37
Depreciation	20.99	30.85
Profit before Interest and Tax (EBIT)	1,003.64	1,026.52
Other Income (net of finance cost)	101.27	110.29
Profit before Tax (PBT)	1,104.91	1,136.81
Tax Expense	287.42	288.55
Profit for the year	817.49	848.26
Other Comprehensive Income	0.34	3.53
Total Comprehensive Income for the year	817.83	851.79
Total Assets	7,846.05	7,564.72
Earnings per share (Basic EPS in Rupees)	17.77	18.44

Your Company continued to deliver strong operational & financial performance during the financial year 2022-23 with overall revenue growth of 18% over that of the previous year. Revenue from the IT-Networking (Enterprise network) business grew by 21%, but there was a degrowth in revenue from the Telecommunication business of 26% over that of the previous year. For the full year, the Company's profit before tax stood at Rs.1,104.91 lakhs compared to Rs.1,136.81 lakhs for the previous year. Profit after tax for the financial year was Rs.817.49 lakhs as compared to Rs.848.26 lakhs for the previous year. The growth in revenue was led by both volume as well as product mix. During the quarter ended March 31, 2023, the Company has recorded a provision of Rs. 775.34 lakhs towards outstanding dues from one of its large customers who is undergoing stressful liquidity conditions. The Company is taking necessary steps to recover its dues.

**KEY FINANCIAL RATIOS & RETURN ON NETWORTH**

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

Ratios	Year ended March 31, 2023	Year ended March 31, 2022	Change	Percentage Change
Debtors Turnover Ratio (Days)	7.15	6.35	0.80	12.53
Inventory Turnover Ratio (Days)	6.56	8.46	(1.89)	(22.39)
Current Ratio (Times)	2.68	2.77	(0.09)	(3.01)
Operating Profit Margin (%)	7.79	9.43	(1.64)	(17.36)
Net Profit Ratio	0.06	0.07	(0.01)	(20.00)
Return on Net worth (%)	21.43	22.66	(1.23)	(5.43)

**OPPORTUNITIES**

**Telecommunication**

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

Indian Mobile Industry is expected to create a higher economic value with increase in growth drivers such as Production Linked Incentive schemes for manufacturing of telecom and networking products, growing demand with increasing internet users, make in India policy for Phased Manufacturing Program (PMP) to promote domestic production of mobile handsets and the basic foundation where Optical fiber cables laid over 1,00,000 gram panchayats.

Rise in mobile-phone penetration is expected create opportunities for new businesses; especially where Internet of everything will play a vital role in developing the smart cities. With Consumers continue to display appetite for mobile data with data-heavy applications in their daily lives and your Company expect this trend to continue. With 5G round the corner where India is expected to be the second largest market for 5G Services in next 5 years assures greater opportunities in this new world where the future of Telecom industry in India is said to have several opportunities towards creating new revenue streams in the next decade by offering several benefits to consumers. Carriers will continue to focus on providing data and voice services

that are high quality, reliable, and affordable to drive the industry pace and growth, which will create more and more localized /Edge based Content delivery networks to support faster response, reduce on latency, quick access to data due with localized cache.

**Enterprise**

Growth in Data Centre business & broadband connectivity requirements with massive investments committed both by Government & Private Players towards Infrastructure growth would improve the overall business sentiment and investments in next few Years. Market is expected to improve driven by investments in Infrastructure projects, Pharma, Healthcare, Education, Banking & Finance, Defense sector, E-commerce, Manufacturing, Digital India and Smart city initiatives where your Company will be able to favorably participate in the areas of its strength within each opportunity as the market activities picks up.

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

**RISKS AND CONCERNS**

With full of uncertainties, it is not something that any of us would claim to predict the lingering impact of global

economic scenarios with supply chain disruptions, rising interest rates accompanied with increase in costs of commodities & volatility is a real confrontation with complexity & challenges in front of your Company. At the same time, tremendous Opportunities lies before your Company with growth in Data Centre business & Broadband connectivity requirements which gives great optimism about the future that holds for your company.

The markets your Company serve continue to undergo disruptions where we must adapt to new market realities thoughtfully, to ensure our continued growth and success. Unfortunately, post-pandemic economy has presented new circumstances that demand adaptability and resilience as we respond to stay ahead of the market condition. Your Company would see an impact on the Enterprise Network copper business with an increase in work from home adoption growing with office space expansion requirements coming down / going slow in the short term. However, your Company do see continues growth in Fiber Business over copper due to multifold increase in Bandwidth requirements, with denser wireless & deeper fiber deployments across the upcoming infrastructure projects. Added to this, your Company do see inflationary pressure accelerating with steep increase in prices across commodities and raw materials like copper, stainless steel, plastics and many more items; towards which your company has been adjusting prices consistently across certain products and/or product lines.

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

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

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

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

#### **MANUFACTURING OPERATIONS**

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

Keeping in mind the welfare of the employees' safety first at work, various Safety measures including an Emergency Response Plan have been implemented in the factory.

During the year, major focus has been on development of new design of Fiber Cable, armored Fiber Cords, high density panels to meet upcoming customer requirement for different applications and introduced Copper Panels and cable assemblies.

#### **HUMAN RESOURCES**

As on March 31, 2023, the company had 22 permanent employees on the rolls of the company. During the year as part of Learning & Development, training was held for the employees looking at each individual people's development & skill. Training with respect to Sustainability, E waste & Hazardous waste management, Prevention of Electric Short Circuit, Safe operation of Material handling equipment and Fire Fighting were also conducted. The Employee Engagement Committee comprising representatives from the Workmen and the Management conducted several employee related activities during the year. The Company continued to adopt various process and Policies towards health related to ensure safety and welfare of the employees of the Company. The industrial relation throughout the year was harmonious and cordial.

#### **Cautionary Statement:**

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

## REPORT ON CORPORATE GOVERNANCE

### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

### 2. BOARD OF DIRECTORS

#### (A) Composition of Board

The Company has a very balanced and diverse Board of Directors. The composition of the Board is in line with the applicable provisions of the Companies Act, 2013 ("the Act") and the Listing Regulations. As on March 31, 2023, the Board of Directors consisted of six Directors comprising of Managing Director, three Non-Executive Independent Directors and two Non-Executive Non-Independent Directors. Two of the Non-Executive Independent Directors and one of the Non-Executive Non-Independent Directors are Woman Directors. The Chairman of the Board is a Non-Executive Independent Director. The composition of the Board represents an optimum combination of the knowledge, experience and skills which are required by the Board to discharge its responsibilities effectively.

There is no relationship between the Directors inter-se.

The maximum tenure of the Independent Directors is in compliance with the provisions of the Act and the Listing Regulations. All the Independent Directors of the Company have confirmed that they meet the criteria of independence as mentioned in section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors provide an annual confirmation that they meet the criteria of independence. Based on the confirmations/

disclosures received from the Independent Directors, the Board of Directors is of the opinion that the Independent Directors fulfill the criteria or conditions specified under the Act and under the Listing Regulations and are independent of the Management.

As on March 31, 2023, none of the Directors of the Company held any equity shares or convertible instruments of the Company.

#### (B) Board Meetings

During the Financial Year 2022-23, Six Board meetings were held on May 27, 2022; July 26, 2022; August 09, 2022; November 10, 2022; February 03, 2023 and March 21, 2023. The maximum gap between any two Board Meetings was less than one hundred and twenty days. The Directors participated in the meetings of the Board and Committees held during the Financial Year 2022-23 either physically or through Video Conferencing/Other Audio-Visual Means. Further, the Company has adhered to the Secretarial Standards prescribed by the Institute of Company Secretaries of India.

The Company provides agenda papers, containing all necessary information/documents to the Board/Committees to discharge its responsibilities effectively and take informed decisions. Where it is not practicable to send the relevant information as a part of agenda papers, the same are tabled at the meeting or/and presentations are made by the concerned officials to the Board/Committees. Information as prescribed under Part A of Schedule II of the Listing Regulations is made available to the Board, wherever applicable, for discussion and consideration.

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

The names and category of the Directors on the Board, their attendance at the Board Meetings held during the year under review and at the last Annual General Meeting and the number of the Directorship and Committee Membership/ Chairmanship held by them in other Public Limited Companies as on March 31, 2023, are given below:

Name of the Director	Category	Month & Year of Appointment	No. of Board Meetings which Director was entitled to Attend	No. of Board Meetings Attended	Number of Directorship held in other Public Companies	*Number of Memberships in Board Committees of other Public Companies	*Number of Chairmanship in Board Committees of other Public Companies	Whether attended last AGM
S. Devarajan	Chairman and Independent Director	February 2013	6	6	4	4	2	Yes
J.N. Mylariaiah	Managing Director	September 2013	6	6	Nil	Nil	Nil	Yes
Revathy Ashok	Independent Director	August 2011	6	5	9	7	3	Yes
Ravi Bosco Rebello	Non-Executive Director	August 2017	6	6	Nil	Nil	Nil	Yes
Vijaya Latha Reddy	Independent Director	September 2020	6	6	Nil	Nil	Nil	Yes
Yaman Roy	Non-Executive Director	September 2020	6	5	Nil	Nil	Nil	Yes

\*Only covers Membership and Chairmanship of Audit Committee and Stakeholders Relationship Committee held in Public Limited Companies other than ADC India Communications Limited.

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

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

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

#### KEY SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD

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

Area of Skills, Expertise and Competencies	Description
Industry Knowledge	Full knowledge and understanding of the industries and sectors in which the company operates.
Business Acumen	Clear understanding of the business of the company, understand market trends and provide advice on strategy. Ability to identify key issues and opportunities for the Company within the Telecommunication industry and Enterprise business and develop appropriate strategy to address these issues and opportunities.
Finance	Qualifications and experience in accounting and/or finance and the ability to understand and analyze key financial statements & financial reports, critically assess financial viability and performance, contribute to strategic financial planning and ability to review and analyze budgets with strategic goals and priorities.



Strategic thinking & planning	Ability to think strategically and identify and critically assess strategic opportunities and threats and develop effective strategies in the context of the strategic objectives of the Company's relevant policies and priorities.
Sales and Marketing	Sales and Marketing Experience to facilitate the organization growth in the right direction and contributing expertise in developing strategies to grow sales and market share within the Telecommunication Industry and Enterprise Business.
Risk Management	Ability to identify key risks to the organization in a wide range of areas including legal and regulatory compliance, monitor risks and effectively address these risks.
HR & Talent Management	Qualification and experience in human resource management including workforce planning and employee & industrial relations.
Corporate Governance	Knowledge of good corporate practices. Knowledge of laws, rules and regulations applicable to the company and its compliance.
Information Technology	Knowledge and experience in the strategic use of information technology within the organization and knowledge of applications such as POE, 5G, IOT, Artificial Intelligence, Block Chain, AR/VR etc. to strategize the Company's future.

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

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

### 3. AUDIT COMMITTEE

#### Terms of Reference

The role and terms of reference of the Audit Committee covers the areas as contemplated under Section 177 of the Act and Regulation 18 of the Listing Regulations, as applicable, besides other terms as referred by the Board of Directors.

The terms of reference of the Audit Committee are briefly described below:

- i. Oversight of the Company's financial reporting process and the disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- ii. Recommendation for the appointment, remuneration and terms of appointment of statutory auditors of the company.
- iii. Approval of payment to statutory auditors for any other services rendered by them.

- iv. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management.
  - d. Significant adjustments made in the financial statements arising out of audit findings.
  - e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of any related party transactions.
  - g. Qualifications in the draft audit report.
- v. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- vi. Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- vii. Approval or any subsequent modification of transactions of the company with related parties.
- viii. To Scrutinize inter-corporate loans and investments.
- ix. Valuation of undertakings or assets of the company, wherever it is necessary.
- x. Evaluation of internal financial controls and risk management systems.
- xi. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- xii. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- xiii. Discussion with internal auditors of any significant findings and follow up there-on.
- xiv. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- xv. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- xvi. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- xvii. To review the functioning of the Whistle Blower mechanism.
- xviii. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- xix. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- xx. Review the following information:
  - a. Management discussion and analysis of financial condition and results of operations.
  - b. Management letters / letters of internal control weaknesses issued by the statutory auditors.
  - c. Internal audit reports relating to internal control weaknesses.
  - d. The appointment, removal and terms of remuneration of the chief internal auditor.

### **Composition and Meetings**

The Audit Committee is comprised of 3 members, all being Non-executive Directors with 2/3rd majority being Independent Directors and the Chairperson of the Audit Committee is a Non-executive Independent Director.

During the Financial Year 2022-23, Five Audit Committee meetings were held on May 27, 2022, August 09, 2022, November 10, 2022, February 03, 2023 and March 21, 2023. The composition of the Audit Committee as on March 31, 2023 and the attendance of the committee members are given below:

Name of Directors	Position	Number of meetings Attended
Ms. Revathy Ashok	Chairperson	5
Mr. S.Devarajan	Member	5
Mr. Ravi Bosco Rebello	Member	5

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

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

#### Other Matters

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

The Chairman of the Audit Committee was present at the 34th Annual General Meeting held on July 29, 2022.

#### 4. NOMINATION & REMUNERATION COMMITTEE

##### Terms of Reference

The role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under section 178 of the Act and Regulation 19 of the Listing Regulations, besides other terms as referred by the Board of Directors.

The terms of reference of the Nomination and Remuneration Committee are briefly described below:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the Directors, key managerial personnel and other employees.
- Formulation of criteria for performance evaluation of Independent Directors and the Board of Directors.
- Devising a policy on diversity of Board of Directors.
- Identifying persons who are qualified to become Directors and who may be appointed in senior management position in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.

e. Whether to extend or continue the term of appointment of the Independent Director, based on the report of performance evaluation of Independent Directors.

f. Recommend to the Board all remuneration, in whatever form, payable to senior management.

#### Composition and Meetings

The Nomination and Remuneration Committee comprises of 4 members, all Non-executive Directors. The Chairperson of the Committee is a Non-Executive Independent Director.

During the Financial Year 2022-23, One Nomination and Remuneration Committee meetings was held on May 27, 2022. The composition of the Nomination and Remuneration Committee as on March 31, 2023 and the attendance of the committee members are given below:

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

#### Remuneration Policy

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

Currently Non-Executive Independent Directors appointed are paid sitting fees for attending the Board and Committee meetings. Chairman & Non-Executive Independent Director is paid a Sitting fee of Rs. 1,00,000/- for attending each Board Meeting, Rs.1,00,000/- for attending each Audit Committee Meeting & Rs. 25,000/- for attending each Stakeholders Relationship Committee Meeting. Other Non-Executive Independent Directors are paid a sitting fee of Rs. 95,000/- for attending each Board

Meeting Rs.1,00,000/- for attending each Audit Committee Meeting & Rs. 25,000/- for attending each Stakeholders Relationship Committee Meeting. No other remuneration or commission is paid to the Non-Executive Independent Directors. The Non-Executive Non-Independent Directors are neither paid sitting fees nor paid any commission.

**Remuneration paid to Directors for the Financial Year 2022-23 is as under:**

(Amount in Rs.Lakhs)

Name of Directors	Remuneration	Sitting Fees	Total
Mr. S.Devarajan	-	10.95	10.95
Mr. J.N.Mylaraiah	70.19	-	70.19
Ms. Revathi Ashok	-	9.70	9.70
Ms. Vijaya Latha Reddy	-	6.20	6.20

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

**Service Agreement/Notice Period/Severance Fees/Stock Option**

- The service agreement entered into by the Company with Mr. J.N.Mylaraiah, Managing Director, is for a period of 5 years with effect from April 01, 2019.
- The Company and the Managing Director shall be entitled to terminate the agreement by giving 60 days' notice in writing on either side.
- No severance fee is payable by the Company to the Managing Director on termination of the agreement.
- The Company does not have a stock option scheme for the Directors and employees of the Company.
- None of the Directors hold any equity shares in the Company.
- None of the Non-Executive Directors has any pecuniary relationship or transactions with the Company.

**Performance Evaluation**

The Company's Policy and Process for Board Evaluation lays down a structured questionnaire to be used in the performance evaluation of the Board, its Committees and individual Directors.

This Policy is available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/policies.html>.

In terms of the requirement of the Companies Act, 2013 and the SEBI Listing Regulations, the Board of Directors has undertaken an evaluation of its own performance, the performance of its committees and of all the individual Directors including Independent Directors using the structured questionnaire. The criteria for performance evaluation covers the areas relevant to the functioning of the Board and Board Committees such as composition and functions, oversight and effectiveness, responsibilities and obligations etc. The performance of individual Directors was evaluated based on parameters such as participation, conduct and effectiveness. In the evaluation of the Directors, the Directors being evaluated did not participate. The outcome of the evaluation showed that the Board of Directors has expressed full satisfaction with the overall functioning of the Board and its Committees and the members of the Board.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE**

**Terms of Reference**

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

The terms of reference of the Stakeholders Relationship committee are briefly described below:

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

**Composition and Meetings**

The Stakeholders Relationship Committee comprises of 4 members. The Chairperson of the Committee is a Non-executive Independent Director.

During the Financial Year 2022-23, Four Stakeholders Relationship Committee meetings were held on May 27, 2022, August 09, 2022, November 10, 2022 and February 03, 2023. The composition of the Stakeholders Relationship Committee as on March 31, 2023 and attendance of the committee members are given below:

Name of Directors	Position	Number of meetings Attended
Mr. S.Devarajan	Chairperson	4
Mr. J.N.Mylaraiah	Member	4
Ms. Revathy Ashok	Member	4
Ms. Vijaya Latha Reddy	Member	2

Ms. Vijaya Latha Reddy was inducted as a Member w.e.f. August 09, 2022.

The Company Secretary of the Company acts as the Secretary and Compliance Officer to the meetings of the Stakeholders Relationship Committee.

**Shareholders Complaints**

No complaints were received from the shareholders during the Financial Year 2022-23.

**6. RISK MANAGEMENT COMMITTEE**

The Company has laid down Risk Mitigation Processes to address various risks faced by the Company and has constituted a Risk Management Committee.

**Terms of Reference**

The terms of reference of the Risk Management Committee are to frame, implement and monitor the risk management plan of the Company.

**Composition and Meetings**

The Risk Management Committee comprises of 5 members, all being Non-executive Directors. The Chairman of the Committee is a Non-executive Independent Director.

During the Financial Year 2022-23, One Risk Management Committee meeting was held on March 21, 2023. The composition of the Risk Management Committee as on March 31, 2023 and the attendance of the committee members are given below:

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

The Company Secretary of the Company acts as the Secretary to the Risk Management Committee.

**7. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

Pursuant to provisions of Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) Committee of the Board has been constituted. The Company has also formulated a CSR Policy and the same is available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/policies.html>.

**Terms of Reference**

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

Briefly, the terms of reference of the CSR Committee are as under:

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

**Composition and Meetings**

The Corporate Social Responsibility Committee (CSR) comprises of 4 members. The Chairperson of the Committee is a Non-executive Independent Director.

During the Financial Year 2022-23, One CSR Committee meeting was held on February 03, 2023. The composition of the CSR Committee as on March 31, 2023 and the attendance of the committee members are given below:

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

The Company Secretary of the Company acts as the Secretary to the CSR Committee.

#### 8. SEPARATE INDEPENDENT DIRECTORS MEETING

During the Financial Year, a separate meeting of the Company's Independent Directors was held on March 21, 2023, without the attendance of Non-Independent Directors and Members of the Management to discuss the matters as laid out therein for such meetings. All the Independent Directors attended the said meeting through video conferencing/other audio-visual means.

#### 9. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

The Company, through its Managing Director makes presentations periodically to familiarize the Independent Directors with the business scenario, strategy, operations and functions of the Company. Such presentations provide an opportunity to the Independent Directors to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, risk management etc. On a quarterly basis, the Directors are updated on relevant regulatory changes and important statutory amendments.

The familiarization programmes along with details of the same imparted to the Independent Directors of the Company are available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/investorrelations/other-info.htm>.

#### 10. GENERAL BODY MEETINGS

(A) Details of last three Annual General Meetings are as below:

AGM & Financial Year	Date & Time	Venue	Special Resolutions Passed
32nd (2019-20)	Aug 27, 2020 at 11.00 am (IST)	Held through video conferencing / Other Audio-Visual Means	No Special Resolution was passed
33rd (2020-21)	July 30, 2021 at 11.00 am (IST)	Held through video conferencing / Other Audio-Visual Means	No Special Resolution was passed
34th (2021-22)	July 29, 2022 at 11.00 am (IST)	Held through video conferencing / Other Audio-Visual Means	No Special Resolution was passed

#### (B) Postal Ballot

During the Financial Year 2022-23, the Company has not passed any Special Resolution(s) through postal ballot.

#### 11. MEANS OF COMMUNICATION

The quarterly and annual financial results of the Company are published in newspapers such as Business Standard and Sanjevani. These results are also available on the websites of the Company and BSE Limited. All important information relating to the Company, its financial performance, shareholding pattern, quarterly results, policies and investor-related information are regularly posted on the website of the Company. The Company also informs BSE Limited promptly of all information which in the opinion of the Company is relevant for the shareholders.

#### 12. CEO AND CFO CERTIFICATION

As required under Regulations 17(8) of the SEBI Listing Regulations, the Managing Director and Chief Financial Officer of the Company have certified to the Board of Directors, inter-alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting for the year ended March 31, 2023. The said certificate is annexed to this Report.

### **13. CODE OF CONDUCT**

The Company has formulated a Code of Business Conduct and Ethics for Directors and Senior Management of the Company ("the Code"). The Code is available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/policies.html>. The Managing Director declared that the members of the Board and Senior Management Personnel have affirmed compliance with the Code for the year ended March 31, 2023.

### **14. ESTABLISHMENT OF VIGIL/WHISTLE BLOWER MECHANISM**

The Company has established a Vigil mechanism for Directors and Employees to report instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. It also provides adequate safeguards against victimization of employees who avail the mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. During the year, no person was denied access to the Audit Committee. The Vigil Mechanism/Whistle Blower policy is available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/policies.html>.

### **15. RELATED PARTY TRANSACTIONS**

During the Financial Year 2022-23, the Company had no materially significant related party transaction, which is considered to have potential conflict with the interests of the Company at large. All related party transactions were in the ordinary course of business and at arm's length and approved by the Audit committee.

The details of Related Party Transactions are disclosed in Note No.33 to the Annual Audited Financial Statements.

The Company has formulated a policy on Related Party Transactions. The said Policy is available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/policies.html>.

### **16. DETAILS OF NON-COMPLIANCE**

The equity shares of the Company are listed on BSE Limited, and the Company has complied with all the applicable Regulations of capital markets. No penalties or strictures have been imposed on the Company by the Stock Exchange, SEBI or any other statutory authority, on any matter relating to the capital markets during the last three years.

### **17. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

The Company has laid down a Code of Conduct to regulate, monitor and report trading by

designated persons and their immediate relatives as required under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. All the Directors, employees and third parties who could have access to the unpublished price sensitive information of the Company are governed by this code. This Code of Conduct also includes code of practices and procedures for fair disclosure of unpublished price sensitive information. The Company Secretary is the Compliance Officer for the purpose of this Code. A PAN based report is provided by Registrar and Share Transfer Agent of the Company on a weekly basis, for monitoring dealing in the Company's securities by the Designated Persons. The Code of conduct is available on the website of the Company at <https://www.adckcl.com/in/en/aboutus/policies.html>.

### **18. SUBSIDIARY COMPANIES**

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

### **19. COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES**

Commodity price risk - The Company imports copper cables for business purposes. The purchase price depends on LME prices for copper.

Foreign Exchange risk – The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuation arises. The carrying amounts of the Company's foreign currency denominated monetary liabilities (Trade payables) as on March 31, 2023 was Rs. 403.85 lakhs. The Company does not have any hedging policy or hedging activities.

### **20. DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT**

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.

### **21. CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

As required under Regulations 34(3) read with Schedule V of SEBI Listing Regulations, the Company has obtained a certificate from M/s. V. Sreedharan and Associates, Practising Company Secretaries confirming that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing

as Directors of the company by the Securities and Exchange Board of India (SEBI) or Ministry of Corporate Affairs or any such Statutory Authority. The said certificate is annexed to this report.

## **22. RECOMMENDATIONS OF THE BOARD COMMITTEES**

During the Financial Year, the Board of Directors has accepted all recommendations of the Committees of the Board of Directors, as applicable.

## **23. DETAILS OF FEES PAID TO STATUTORY AUDITORS**

During the Financial Year 2022-23, total fees for all services paid by the Company to the Statutory Auditors, M/s. SRBC & CO LLP, Chartered Accountants, and all the entities forming part of the same network, amounted to Rs.19.00 lakhs.

## **24. COMPLAINTS PERTAINING TO SEXUAL HARASSMENT**

During the year 2022-23, the Company did not receive any complaint of alleged sexual harassment.

## **25. LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED**

During the year, the Company has not provided any loans and advances in the nature of loans to firms/companies in which directors are interested.

## **26. ACCOUNTING STANDARDS**

In the preparation of financial statements for the year ended March 31, 2023, there is no deviation from the prescribed Accounting Standards.

## **27. AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

Certificate from the Statutory Auditors of the Company regarding compliance of conditions of corporate governance stipulated in the Listing Regulations during the year ended March 31, 2023, is annexed to this report.

## **28. CORPORATE GOVERNANCE REQUIREMENTS**

### **Compliance with Mandatory requirements:**

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

### **Compliance with Discretionary requirements:**

#### **The Board**

The Company does not maintain a separate office for the Non-executive Chairman.

#### **Shareholders' Rights**

The quarterly financial results are published in the newspapers of wide circulation and not sent to individual shareholders on a half-yearly basis. Financial results are also available on the website of the Company and BSE Limited.

#### **Audit Qualification**

The Auditors have expressed an unmodified opinion on the Financial Statements of the Company.

#### **Separate posts of Chairperson and Managing Director**

Mr. S. Devarajan, Non-Executive Independent Director is the Chairman and Mr. J.N.Mylaraiah is the Managing Director of the Company. There is no relationship between the persons occupying these posts.

#### **Reporting of Internal Auditor**

The Company has outsourced the Internal Audit function to M/s. Gnanoba & Bhat, Chartered Accountants. The Internal audit plan is approved by the Audit Committee and the Internal Auditors directly present their report on a quarterly basis to the Audit Committee for its consideration.

## **29. GENERAL SHAREHOLDER INFORMATION**

General Shareholder Information required to be disclosed pursuant to Schedule V of the Listing Regulations are set out in a separate section of this Annual Report.



## INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

### The Members of ADC India Communications Limited

1. The Corporate Governance Report prepared by ADC India Communication Limited (herein after the "Company"), contains details as specified in regulations 17 to 27, clauses (b) to (i)[and (t)] of sub – regulation (2) of regulation 46 and para C,D, and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') for the year ended March 31, 2023 as required by the Company for annual submission to the Stock exchange.

### Managements' Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation, and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports

or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of procedures performed include:
  - i. Read and understood the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;
  - iii. Obtained and read the Register of Directors as on March 31, 2023 and verified that atleast one independent woman director was on the Board of Directors throughout the year;
  - iv. Obtained and read the minutes of the following committee meetings / other meetings held April 1, 2022 to March 31, 2023:
    - (a) Board of Directors;
    - (b) Audit Committee;
    - (c) Annual General Meeting (AGM);
    - (d) Nomination and Remuneration Committee;
    - (e) Stakeholders Relationship Committee;
    - (f) Risk Management Committee;
  - v. Obtained necessary declarations from the directors of the Company.
  - vi. Obtained and read the policy adopted by the Company for related party transactions.

- vii. Obtained the schedule of related party transactions during the year and balances at the year-end. Obtained and read the minutes of the audit committee meeting where in such related party transactions have been pre-approved prior by the audit committee.
  - viii. Performed necessary inquiries with the management and obtained necessary specific representations from management.
8. The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

#### **Opinion**

9. Based on the procedures performed by us, as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations, as applicable for the year ended March 31, 2023, referred to in paragraph 4 above.

#### **Other matters and Restriction on Use**

10. This report 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.
11. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

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

Chartered Accountants

ICAI Firm Registration No: 324982E/E300003

per **Suresh Yadav**

Partner

Membership Number: 119878

UDIN: 23119878BGTCTS1709

Place : Mumbai

Date : June 28, 2023

## CEO AND CFO CERTIFICATION

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

**The Board of Directors**  
**ADC India Communications Limited**  
**Bangalore**

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

1. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
  - a. significant changes in internal control over financial reporting during the year;
  - b. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial Statements; and
  - c. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Bangalore  
Date : May 26, 2023

sd/-  
**J.N.Mylaraiah**  
Managing Director

sd/-  
**Rakesh Bhanushali**  
Chief Financial Officer

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India (SEBI) and Ministry of Corporate Affairs (MCA).

**Details of Directors as on 31.03.2023:**

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

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

**For V SREEDHARAN & ASSOCIATES**

**(Devika Sathyanarayana)**

Partner

FCS:11323; CP No.17024

Address: No.291,1st Floor, 10th Main Road  
3rd Block, Jayanagar, Bengaluru - 560011  
UDIN number F011323D000384344

Place : Bengaluru

Date : May 26, 2023

## GENERAL SHAREHOLDER INFORMATION

### 1. Annual General Meeting

**Day, Date & Time:** Monday, July 31, 2023 at 11.00 a.m. (IST)

**Venue :** Annual General Meeting through Video Conferencing/Other Audio-Visual Means (VC/OAVM) facility. Deemed venue of the meeting shall be the Registered Office address of the Company).

### 2. Financial Year

The Company follows the period of 1st April to 31st March, as the Financial Year.

For the Financial Year 2023-24, Financial Results will be announced as per the following tentativeschedule:

First Quarter Results	Second week of August 2023
Second Quarter and Half-Yearly Results	Second week of November 2023
Third Quarter Results	Second week of February 2024
Fourth Quarter and Annual Results	Fourth week of May 2024

### 3. Dates of Book Closure

From July 25, 2023 to July 31, 2023 (both days inclusive)

### 4. Dividend Payment Date

A dividend of Rs.4.00 per equity share recommended by the Board of Directors, subject to approval of the Members at the ensuing Annual General Meeting, is proposed to be paid on or after August 10, 2023.

### 5. Listing on Stock Exchanges

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

Annual Listing Fees for the Financial Year 2022-23 have been paid to BSE Limited.

### 6. Stock Code / ISIN Number

Stock Code - 523411

ISIN Number for NSDL and CDSL - INE833A01016

### 7. Registrar and Share Transfer Agent (RTA)

KFin Technologies Limited  
Selenium Building, Tower B, Plot No. 31&32, Financial District  
Nanakramguda, Serilingampally Mandal, Hyderabad-500 032  
Tel: +91 40 67162222  
Toll Free No. 1800 309 4001  
E-mail : einward.ris@kfintech.com

Share related matters, dividend payment and all other investor related matters are attended to and processed by the RTA.

## GENERAL SHAREHOLDER INFORMATION

### 8. Market Price Data

High/Low in each month of the Financial Year 2022-23 on the BSE Limited and Stock Performance in comparison to BSE Sensex, is specified below::

Months	ADC India price movement in BSE		BSE Sensex		ADC India price movement %		BSE Sensex Movement %	
	High	Low	High	Low	High	Low	High	Low
April-22	339	295	60,845	56,009				
May-22	347	240	57,184	52,632	2%	-19%	-6%	-6%
June-22	353	310	56,433	50,921	2%	29%	-1%	-3%
July-22	365	324	57,619	52,094	3%	5%	2%	2%
August-22	366	325	60,411	57,367	0%	0%	5%	10%
September-22	437	355	60,676	56,147	19%	9%	0%	-2%
October-22	420	337	60,787	56,683	-4%	-5%	0%	1%
November-22	469	383	63,303	60,425	12%	14%	4%	7%
December-22	500	396	63,583	59,754	7%	3%	0%	-1%
January-23	549	450	61,344	58,699	10%	14%	-4%	-2%
February-23	535	417	61,682	58,796	-3%	-7%	1%	0%
March-23	635	480	60,498	57,085	19%	15%	-2%	-3%

### 9. Share Transfer System

The Securities and Exchange Board of India (SEBI) has mandated transfer of securities only in dematerialized form and consequently equity shares of the Company can only be transferred in dematerialized form. Requests for dematerialisation of shares are processed and confirmation thereof given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), within the statutory time limit from the date of receipt of share certificates/letter of confirmation after due verification.

Shareholders holding shares in physical form are therefore requested to consider converting their holding to dematerialized form to eliminate the risks associated with physical shares and for ease in portfolio management.

### 10. Distribution of Shareholding as on March 31, 2023:

Range of the number of shares	Number of Shareholders	Number of shares	Percentage of total shares
1 to 500	4,234	3,89,683	8.47
501 to 1000	155	1,21,924	2.65
1001 to 2000	78	1,13,559	2.47
2001 to 3000	23	57,101	1.24
3001 to 4000	20	71,563	1.56
4001 to 5000	11	51,131	1.11
5001 to 10000	19	1,38,081	3.00
10001 and above	20	36,56,958	79.50
<b>Total</b>	<b>4,560</b>	<b>46,00,000</b>	<b>100.00</b>

## GENERAL SHAREHOLDER INFORMATION

### 11. Shareholding Pattern as on March 31, 2023:

Category of Shareholder	Number of Shareholders	Number of Shares	Percentage to Total Shares
Promoter & Promoter Group	2	33,13,037	72.02
Public	4,436	11,59,389	25.20
Bodies Corporate	55	71,755	1.56
PFIE	1	27,103	0.59
Non- Resident Indians	60	24,757	0.55
Clearing Members	4	3,789	0.08
Mutual Fund/Banks	2	170	0.00
<b>Total</b>	<b>4,560</b>	<b>46,00,000</b>	<b>100.00</b>

### 12. Dematerialization of Shares & Liquidity

99.08% equity shares of the Company are in dematerialized form as on March 31, 2023. The Company's shares are liquid and actively traded on BSE Limited.

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

No GDRs/ADRs/Warrants or any convertible instruments have been issued by the Company.

### 14. Commodity Price Risks and Commodity Hedging activities

The disclosure on Commodity Price risks or Foreign Exchange risks and hedging activities is reported under "Report on Corporate Governance" forming part of this Annual Report.

### 15. Plant location

The Company's plant is located at Bangalore at the following address:  
No.10C, 2nd Phase, 1st Main, Peenya Industrial Area, Bangalore -560 058  
Tel: +91 80 28396102/28396291  
E-mail: support@adckcl.com

### 16. Address for correspondence

Shareholders correspondence should be addressed to the Company's Registrar and Share Transfer Agent or contact the Company Secretary of the Company at the addresses mentioned below:

#### Registrar and Share Transfer Agent

KFin Technologies Limited  
Selenium Building, Tower B, Plot No.31&32, Financial District, Nanakramguda, Serilingampally  
Hyderabad – 500 032

**Contact Person:** Ms. Sheetal Doba, Manager–Corporate Registry

Tel: +91 40 67162222 Toll Free No.: 1800 309 4001

Email: einward.ris@kfintech.com

#### Company:

Mr. R. Ganesh, Company secretary  
ADC India Communications Limited  
No.10C, 2nd Phase, 1st Main, Peenya Industrial Area, Bangalore – 560 058  
Tel: +91-80-28396102 / 28396291  
E-mail: ganesh.r@adckcl.com

### 17. Credit Rating

The Company does not have any debt instruments, fixed deposit program or any scheme or proposal for mobilization of funds. Hence, the Company has not obtained any credit ratings during the financial year for these purposes.

## INDEPENDENT AUDITORS' REPORT

To

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

### Opinion

We have audited the accompanying financial statements of ADC India Communications Limited ("the Company"), which comprise the Balance sheet as at March 31, 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the

Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matter described below to be the key audit matter to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the accompanying financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Recoverability of Trade Receivables (as described in Note 9 to the financial statements)</b>	
<p>As at 31 March 2023, the Company has trade receivables of INR 1,983.44 Lakhs (net of expected credit loss of INR 778.59 Lakhs).</p> <p>The Company determines the allowance for expected credit loss on portfolio of its trade receivable basis historically observed default rates over the expected life of the trade receivables and is adjusted to reflect current and estimated future economic conditions. These estimates are inherently complex and require exercise of significant judgment by the management.</p>	<p><b>Our audit procedures included the following:</b></p> <ul style="list-style-type: none"> <li>• We tested the design, implementation and operative effectiveness of management's key internal controls relating to the monitoring of trade receivables and determination of expected credit loss.</li> <li>• We have obtained the ageing analysis of trade receivables. We have tested on a sample basis, the ageing of trade receivables and discussed with management the reasons of any overdue balances to assess the adequacy of expected credit loss recognised, if any.</li> </ul>



**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

Further, subsequent to the year end, one of the Company's customer (having a balance of INR 1,586.85 lakhs as of March 31, 2023) has stated that it is undergoing stressful liquidity conditions primarily on account of delay in collections due to slowdown in IT Hardware industry, working capital deficit, withdrawal of support from key vendors and fall in margins. Due to increase in significant credit risk pertaining to this customer, the management has exercised judgement in evaluating the timing and the ability of the customer to settle the outstanding balance and have recorded expected credit loss of INR 775.34 Lakhs.

Considering the complexities and the judgments/ estimates as discussed above, it has been determined as a key audit matter.

- Tested management's assumptions used in determining the expected credit loss, through analysis of ageing of trade receivables, assessment of material overdue individual trade receivables and past trends of impairment loss.
- For selected samples, obtained balance confirmations and compared with books of account, tested the reconciling items and tested subsequent receipts.
- In respect of balances disclosed in Note 9, we examined the Company's communication with the customer and management's assessment of recovery.
- Read and assessed the disclosures made in the financial statements as per disclosure requirements prescribed in applicable Ind AS.

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

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

**Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under

section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Other Matter**

The financial statements of the Company for the year ended March 31, 2022, included in these financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 27, 2022.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

**INDEPENDENT AUDITORS' REPORT (CONTINUED)**

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except that the backup of the books of account and other books and papers maintained in electronic mode has not been maintained on servers physically located in India on daily basis.
- c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.
- g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- h) The qualification reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph (b) above.
- i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 34 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (a) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - (b) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The final dividend paid by the Company during the year in respect of the same declared for the previous year is in

---

## INDEPENDENT AUDITORS' REPORT (CONTINUED)

accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 39 to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

- vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable

for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration No: 324982E/E300003

per **Suresh Yadav**  
Partner  
Membership Number: 119878  
UDIN: 23119878BGTCRJ3746

Place : Mumbai  
Date : May 26, 2023

**ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT**

**(Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)**

**Re: ADC India Communications Limited ("the Company")**

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

- |  |   |   |
|--|---|---|
| <p>(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.</p> <p>(B) The Company has not capitalized any intangible assets in the books of the Company and accordingly, the requirement to report on clause 3(i)(a)(B) of the Order is not applicable to the Company.</p> <p>(b) All Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.</p> <p>(c) The title deeds of all the immovable properties are held in the name of the Company.</p> <p>(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2023.</p> <p>(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made there under.</p> <p>(ii) (a) The management has conducted physical verification of inventory during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.</p> <p>(b) The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets.</p> | <p>(iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.</p> <p>(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.</p> <p>(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) to (f) of the Order is not applicable to the Company.</p> <p>(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 ('the Act') are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.</p> <p>(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made there under, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.</p> <p>(vi) The Company is not in the business of sale of any goods or provision of such services as prescribed. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.</p> <p>(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of customs, cess and other</p> | <p>Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.</p> |
|--|---|---|

## ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to service tax, excise duty, sales tax, value added tax are not applicable to Company.

- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows.

Name of the Statute	Nature of Dues	"Amt. Rs. in Lakhs"	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act 1961	Income Tax	18.37	AY 2008-09	Assistant Commissioner of Income Tax
		11.49	AY 2015-16	
		35.23	AY 2019-20	
		1.02	AY 2020-21	
Finance Act 1994	Sales Tax (including Interest till date of Assessment)	214.73*	October 2013 to March 2017	Commissioner (Appeals)

\* During the previous years, the Company has deposited Rs. 21.47 Lakhs under protest in connection with a dispute with Service Tax authorities for the year 2013 to 2017.

- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is not applicable to the Company.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a), (b) and (c) of the Order are not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the

## ANNEXURE 1 TO THE INDEPENDENT AUDITORS' REPORT

- Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year and in the immediately preceding financial year respectively.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed

in note 45 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 36 to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 36 to the financial statements.

For **S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration No: 324982E/E300003

per **Suresh Yadav**  
Partner  
Membership Number: 119878  
UDIN: 23119878BGTTCRJ3746  
Place : Mumbai  
Date : May 26, 2023

## ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ADC INDIA COMMUNICATIONS LIMITED

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of ADC India Communications Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference

to these financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to these financial statements.

### Meaning of Internal Financial Controls With Reference to these Financial Statements

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



**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ADC INDIA COMMUNICATIONS LIMITED**

**Inherent Limitations of Internal Financial Controls With Reference to Financial Statements**

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

**Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial

statements were operating effectively as at March 31, 2023, based on [the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

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

Chartered Accountants

ICAI Firm Registration No: 324982E/E300003

per **Suresh Yadav**

Partner

Membership Number: 119878

UDIN: 23119878BGTCRJ3746

Place : Mumbai

Date : May 26, 2023

## BALANCE SHEET AS AT MARCH 31, 2023

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	4	299.89	303.09
(b) Financial assets			
(i) Other financial assets	5	10.80	9.56
(c) Deferred tax assets (net)	6	223.58	28.98
(d) Other non-current assets	7	362.74	362.64
<b>Total non-current assets</b>		<b>897.01</b>	<b>704.27</b>
<b>Current assets</b>			
(a) Inventories	8	2,262.43	1,208.65
(b) Financial assets			
(i) Trade receivables	9	1,983.44	2,014.58
(ii) Cash and Cash equivalents	10	2,557.62	3,551.18
(iii) Other bank balances	11	18.83	-
(iv) Other financial assets	5	17.58	6.89
(c) Other current assets	7	109.13	79.15
<b>Total current assets</b>		<b>6,949.04</b>	<b>6,860.45</b>
<b>Total assets</b>		<b>7,846.05</b>	<b>7,564.72</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	12	460.00	460.00
(b) Other equity	13	4,737.70	4,563.88
<b>Total equity</b>		<b>5,197.70</b>	<b>5,023.88</b>
<b>Non-current liabilities</b>			
(a) Provisions	15	59.22	61.71
<b>Total non-current liabilities</b>		<b>59.22</b>	<b>61.71</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Trade payables	16		
(a) Total outstanding dues of micro enterprises and small enterprises		79.07	59.17
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,364.09	2,369.69
(ii) Other financial assets	14	18.83	-
(b) Provisions	15	25.41	22.76
(c) Current tax liability (Net)	17	79.86	4.12
(d) Other current liabilities	18	21.87	23.39
<b>Total current liabilities</b>		<b>2,589.13</b>	<b>2,479.13</b>
<b>Total liabilities</b>		<b>2,648.35</b>	<b>2,540.84</b>
<b>Total equity and liabilities</b>		<b>7,846.05</b>	<b>7,564.72</b>

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

As per our report of even date.

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

Chartered Accountants

ICAI Firm Registration No: 324982E/E300003

**Suresh Yadav**

Partner

Place : Mumbai

Date : May 26, 2023

For and on behalf of the Board of Directors

of ADC India Communications Limited

**S.Devarajan**

Chairman and Director

Place: Bangalore

Date : May 26, 2023

**Mylaraiah J.N**

Managing Director

**Rakesh Bhanushali**

Chief Financial Officer

**R. Ganesh**

Company Secretary

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023**

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	Notes	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations	19	14,291.25	12,071.28
Other income	20	109.99	111.72
<b>Total income</b>		<b>14,401.24</b>	<b>12,183.00</b>
<b>Expenses</b>			
Cost of materials consumed	21	458.54	417.45
Purchase of stock-in-trade	22	11,616.10	9,438.33
(Increase) / decrease in inventories of finished goods, work-in-progress and stock-in-trade	23	(684.03)	33.94
Employee benefits expense	24	428.70	402.71
Finance cost	25	8.72	1.43
Depreciation and amortization expense	26	20.99	30.85
Other expenses	27	1,447.31	721.48
<b>Total expenses</b>		<b>13,296.33</b>	<b>11,046.19</b>
<b>Profit before tax</b>		<b>1,104.91</b>	<b>1,136.81</b>
<b>Tax expense</b>			
Current tax	28	478.90	273.99
Taxes of earlier years	28	3.23	-
Deferred tax	28	(194.71)	14.56
<b>Total tax expense</b>		<b>287.42</b>	<b>288.55</b>
<b>Profit for the year</b>		<b>817.49</b>	<b>848.26</b>
<b>Other comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		0.45	4.72
(ii) Deferred Tax relating to items that will not be reclassified to profit or loss		(0.11)	(1.19)
<b>Total other comprehensive income</b>		<b>0.34</b>	<b>3.53</b>
<b>Total comprehensive income for the year</b>		<b>817.83</b>	<b>851.79</b>
Earnings per equity share (nominal value of share Rs.10 each)			
<b>Basic / Diluted EPS</b>	30	17.77	18.44

The accompanying notes are an integral part of the Ind AS financial statements.  
As per our report of even date.

**For S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration No: 324982E/E300003

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

**Suresh Yadav**  
Partner  
Membership No.119878

**S.Devarajan**  
Chairman and Director

**Mylaraiah J.N**  
Managing Director

**R. Ganesh**  
Company Secretary

Place : Mumbai  
Date : May 26, 2023

Place : Bangalore  
Date : May 26, 2023

**Rakesh Bhanushali**  
Chief Financial Officer

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(All Amounts are in INR Lakhs, unless otherwise stated)

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

**STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023**

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Components of cash and cash equivalents (Refer Note 10)		
Balances with banks:		
- in current accounts	7.62	711.18
- in deposit accounts	2,550.00	2,840.00
<b>Total cash and cash equivalents</b>	<b>2,557.62</b>	<b>3,551.18</b>

**Notes:**

- 1) Figures in bracket indicate outflow.
- 2) The Cash Flow Statement has been prepared under the indirect method as set out in Indian Accounting Standard ( Ind AS ) 7 Statement of Cash flow.

The accompanying notes are an integral part of the Ind AS financial statements.  
In terms of our report attached.

**For S R B C & CO LLP**  
Chartered Accountants  
ICAI Firm Registration No: 324982E/E300003

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

**Suresh Yadav**  
Partner  
Membership No.119878

**S.Devarajan**  
Chairman and Director

**Mylaraiah J.N**  
Managing Director

**R. Ganesh**  
Company Secretary

Place : Mumbai  
Date : May 26, 2023

Place : Bangalore  
Date : May 26, 2023

**Rakesh Bhanushali**  
Chief Financial Officer

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

### a. Equity share capital

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	Amount
<b>As at March 31, 2021</b>	460.00
Movement during the year	-
<b>As at March 31, 2022</b>	460.00
Movement during the year	-
<b>As at March 31, 2023</b>	<b>460.00</b>

### b. Other Equity

Particulars	Reserves and Surplus		
	General Reserve	Surplus in Statement of Profit and Loss	Total Other Equity
<b>Opening Balance as at 1 April, 2021</b>	776.39	3,050.70	3,827.09
Profit for the year	-	848.26	848.26
Other comprehensive income for the year net if income tax	-	3.53	3.53
Dividend	-	(115.00)	(115.00)
<b>Closing Balance as at 31 March, 2022</b>	<b>776.39</b>	<b>3,787.49</b>	<b>4,563.88</b>
Profit for the year	-	817.49	817.49
Other comprehensive income for the year net if income tax	-	0.34	0.34
Dividend	-	(644.00)	(644.00)
<b>Closing Balance as at 31 March, 2023</b>	<b>776.39</b>	<b>3,961.31</b>	<b>4,737.70</b>

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

As per our report of even date.

#### For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration No: 324982E/E300003

For and on behalf of the Board of Directors

of ADC India Communications Limited

**Suresh Yadav**

Partner

Membership No.119878

**S.Devarajan**

Chairman and Director

**Mylaraiah J.N**

Managing Director

**R. Ganesh**

Company Secretary

Place : Mumbai

Date : May 26, 2023

Place : Bangalore

Date : May 26, 2023

**Rakesh Bhanushali**

Chief Financial Officer

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 1. GENERAL INFORMATION

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

ADC India Communications Limited is a public limited company incorporated in India on 26 July, 1988 under the Companies Act, 1956. Its shares are listed on Bombay Stock Exchange. The registered office of the company is at No.10C, 2nd Phase, 1st Main, P.B. No. 5812, Peenya Industrial Area, Bangalore – 560 058.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### I. Statement of Compliance

The Financial Statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III).

Accordingly, the Company has prepared these Financial Statements which comprise the Balance Sheet as at 31 March, 2023, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as “financial statements”).

These financial statements are approved for issue by the Board of Directors on May 26, 2023.

#### II. Basis of preparation and presentation

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

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, fair value of plan assets within scope of Ind AS 19 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

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

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

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

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

The Financial Statement is presented in INR and all values are rounded to the nearest lakhs except when otherwise stated.

Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle. It is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

Deferred tax assets and liabilities are classified as non-current only.

### III. Revenue Recognition

#### A. Sale of Goods

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

The Company has generally concluded that it is the principal in its revenue arrangements as it typically controls the goods or services before transferring them to the customer.

Revenue is adjusted for variable consideration such as discounts, rebates, refunds, credits, price concessions, incentives, or other similar items in a contract when they are highly probable to be provided. The amount of revenue excludes any amount collected on behalf of third parties.

The Company recognises revenue generally at the point in time when the products are delivered to customer or when it is delivered to a carrier for export sale, which is when the control over product is transferred to the customer.

#### Contract Balances

##### i. Contract Assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration.

##### ii. Trade Receivables

A receivable is recognised when the goods are delivered and to the extent that it has an unconditional contractual right to receive cash or other financial assets (i.e., only the passage of time is required before payment of the consideration is due).



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### iii. Contract Liability

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract including Advance received from Customer.

### iv. Refund Liabilities

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer including volume rebates and discounts. The Company updates its estimates of refund liabilities at the end of each reporting period.

### B. Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

## IV. Foreign Currencies

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences on monetary items are recognised in Statement of Profit and Loss in the year in which they arise.

## V. Employee Benefits

Retirement benefit costs and termination benefits.

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the Balance sheet with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of profit and loss. Past service cost is recognised in Statement of profit and loss in the year of a plan amendment or when the company recognises corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The Company presents the first two components of defined benefit costs in Statement of profit and loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans. A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

### **Short-term and other long-term employee benefits**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

## **VI. Taxes**

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

### **Current Tax**

Current tax is the amount of expected tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

### **Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

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 taxes relate to the same taxable entity and the same taxation authority.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### **Current and Deferred Tax**

Current and deferred tax are recognised in profit and loss, except when they are relating to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same taxation authority and the relevant entity intends to settle its current tax assets and liabilities on a net basis.

### **VII. Property, Plant and Equipment**

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the year in which the costs are incurred.

Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Property, plant and equipment held for use in the production, supply or administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements on transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

### **VIII. Impairment of non-financial assets**

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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

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

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated in order to determine the extent of the impairment loss, if any.

### IX. Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of raw materials and traded goods include cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of semi-finished /finished goods and work in progress include cost of direct materials and labor and a proportion of manufacturing overheads based on the normal operating capacity but excluding borrowing costs.

Costs of inventories are determined on weighted average basis. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### X. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

### XI. Financial Instruments

#### Financial assets and financial liabilities

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

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

#### A. Financial Assets

##### a) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

### b) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI as at FVTPL if doing so eliminates or significantly reduces and accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting year, with any gains and losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'other income' line item.

### c) Derecognition of financial assets

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

### d) Impairment

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivables, other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life- time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, the Company again measures the loss allowance based on 12-month expected credit losses. When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information. The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

### B. Financial Liabilities and Equity Instruments

#### a) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### b) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

#### c) Financial Liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

##### Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL. A financial liability is classified as held for trading if:

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method.

### **Derecognition of financial liabilities:**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

## **XII. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Managing Director of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

## **XIII. Cash and cash equivalents**

Cash and cash equivalent in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

For the purpose of the Statement of cash flows, cash and cash equivalent consists of cash and short-term deposits, as defined above.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### XIV. Earnings per share

Basic earnings per share is computed by dividing the profit and loss after tax by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares, bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted earnings per share is computed by dividing the profit or loss after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

### 3. KEY SOURCES OF ESTIMATION UNCERTAINTY

In the course of applying the policies outlined in all notes under section 2 above, the Company is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

#### i) Useful life of property, plant and equipment

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. This reassessment may result in change in depreciation and amortisation expected in future periods.

#### ii) Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Potential liabilities that are possible but not probable of crystallising or are very difficult to quantify reliably are treated as contingent liabilities. Such liabilities are disclosed in the notes but are not recognised. The cases which have been determined as remote by the Company are not disclosed.

Contingent assets are neither recognised nor disclosed in the financial statements unless when an inflow of economic benefits is probable.

#### iii) Fair value measurements

When the fair values of financial assets or financial liabilities recorded or disclosed in the financial statements cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk, credit risk and volatility.

#### iv) Taxes

In accordance with IND AS 12 - Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### v) Impairment of Trade receivables

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

## 4. AMENDMENTS NOT YET EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

### i) Ind AS 1 – Disclosure of material accounting policies:

The amendments related to shifting of disclosure of erstwhile "significant accounting policies" to "material accounting policies" in the notes to the financial statements requiring companies to reframe their accounting policies to make them more "entity specific. This amendment aligns with the "material" concept already required under International Financial Reporting Standards (IFRS). The Company does not expect this amendment to have any significant impact in its financial statements.

### ii) Ind AS 8 – Definition of accounting estimates:

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates." Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

### iii) Ind AS 12 – Income Taxes:

The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12. At the date of transition to Ind ASs, a first-time adopter shall recognize a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with:

a) right-of-use assets and lease liabilities

b) decommissioning, restoration and similar liabilities and the corresponding amounts recognized as part of the cost of the related asset.

Therefore, if a company has not yet recognised deferred tax on right-of-use assets and lease liabilities or has recognised deferred tax on net basis, the same need to recognize on gross basis based on the carrying amount of right-of-use assets and lease liabilities. The Company does not expect this amendment to have any significant impact in its financial statements.

### iv) Ind AS 103 – Common control Business Combination:

The amendments modify the disclosure requirement for business combination under common control in the first financial statement following the business combination. It requires to disclose the date on which the transferee obtains control of the transferor is required to be disclosed. The Company does not expect this amendment to have any significant impact in its financial statements.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 4. Property, Plant and Equipment

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	Land*	Building*	Plant & Machinery	Furniture & Fixtures	Office Equipment	Computers	Total
<b>Cost or deemed cost</b>							
As at April 1, 2021	172.98	157.40	48.36	1.20	21.34	56.66	457.94
Additions	-	-	-	0.11	0.68	7.28	8.07
Disposals	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>172.98</b>	<b>157.40</b>	<b>48.36</b>	<b>1.31</b>	<b>22.02</b>	<b>63.94</b>	<b>466.01</b>
Additions	-	-	14.99	0.12	3.08	-	18.19
Disposals	-	-	-	-	1.97	-	1.97
<b>As at March 31, 2023</b>	<b>172.98</b>	<b>157.40</b>	<b>63.35</b>	<b>1.43</b>	<b>23.13</b>	<b>63.94</b>	<b>482.23</b>
<b>Accumulated depreciation</b>							
As at April 1, 2021	-	46.66	27.71	1.12	10.35	46.23	132.07
Depreciation	-	9.33	8.21	0.01	3.44	9.86	30.85
Disposals	-	-	-	-	-	-	-
<b>As at March 31, 2022</b>	<b>-</b>	<b>55.99</b>	<b>35.92</b>	<b>1.13</b>	<b>13.79</b>	<b>56.09</b>	<b>162.92</b>
Depreciation	-	12.58	1.70	0.03	3.34	3.34	20.99
Disposals	-	-	-	-	1.57	-	1.57
<b>As at March 31, 2023</b>	<b>-</b>	<b>68.57</b>	<b>37.62</b>	<b>1.16</b>	<b>15.56</b>	<b>59.43</b>	<b>182.34</b>
<b>Net Book Value</b>							
<b>As at March 31, 2023</b>	<b>172.98</b>	<b>88.83</b>	<b>25.73</b>	<b>0.27</b>	<b>7.57</b>	<b>4.51</b>	<b>299.89</b>
<b>As at March 31, 2022</b>	<b>172.98</b>	<b>101.40</b>	<b>12.44</b>	<b>0.18</b>	<b>8.24</b>	<b>7.85</b>	<b>303.09</b>

\* The Board of Directors of the Company have granted its in-principle approval in FY 2020-21 for sale of land and building and accorded its consent to the Management to take necessary steps including scouting of buyers towards the sale of land and building. The matter is currently in an exploration stage with no buyer having been identified so far and the said land and building is currently being used for the business of the Company. Accordingly, the same has been classified as property, plant and equipment.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(All Amounts are in INR Lakhs, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
<b>5 Other Financial Assets</b>		
<b>Non-current, at amortised cost</b>		
Security deposits	10.80	9.56
<b>Total</b>	<b>10.80</b>	<b>9.56</b>
<b>Current</b>		
Interest accrued on fixed deposits	17.58	6.89
<b>Total</b>	<b>17.58</b>	<b>6.89</b>

	As at March 31, 2023	As at March 31, 2022
<b>6 Deferred tax asset (net)</b>		
<b>Deferred tax asset on</b>		
Difference between book balance and tax balance of property, plant & equipment	1.11	1.30
Provision for doubtful trade receivables / advances	199.02	4.66
Provision for compensated absences, gratuity and other employee benefits	23.45	22.96
Disallowance u/s 40(a)(ia)	-	0.06
<b>Total</b>	<b>223.58</b>	<b>28.98</b>

	As at March 31, 2023	As at March 31, 2022
<b>7 Other Assets</b>		
<b>Non-current</b>		
Advance income-tax (Refer note below)	331.40	321.30
Balances with statutory / government authorities (Considered good)	31.34	41.34
Balances with statutory / government authorities (Considered doubtful)	12.17	12.17
Less: Provision for doubtful advances	(12.17)	(12.17)
<b>Total</b>	<b>362.74</b>	<b>362.64</b>
<b>Current</b>		
Prepaid expenses	22.14	19.46
Other advances	1.28	0.60
Balances with statutory / government authorities (Considered good)	85.71	59.09
<b>Total</b>	<b>109.13</b>	<b>79.15</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All Amounts are in INR Lakhs, unless otherwise stated)

		As at March 31, 2023	As at March 31, 2022
	<b>Note:</b>		
	Advance tax and TDS	681.16	1,772.96
	Less: Provision for tax	(349.76)	(1,451.66)
		<u><b>331.40</b></u>	<u><b>321.30</b></u>

		As at March 31, 2023	As at March 31, 2022
<b>8</b>	<b>Inventories (valued at lower of cost and net realizable value)</b>		
	Raw materials, components, consumables and packing materials [Includes in-transit Rs. 312.45 lakhs (PY : Nil)]	557.44	187.69
	Work-in-progress	1.94	3.71
	Finished goods	113.18	180.73
	Stock-in-trade [Includes in-transit Rs. 7.85 lakhs (PY : Rs. 108.27 lakhs)]	1,589.87	836.52
		<u><b>2,262.43</b></u>	<u><b>1,208.65</b></u>

Value of inventories above is stated after write down of net realizable value of Rs. 2.26 lakhs (PY: Rs. 0.69 lakhs). These were recognized as an expense during one year and included in changes in inventories of finished goods, work in progress and stock in trade.

		As at March 31, 2023	As at March 31, 2022
<b>9</b>	<b>Trade receivables</b>		
	Trade receivables Considered good - Unsecured	1,160.26	2,014.58
	Trade Receivable which have significant increase in Credit Risk	1,601.77	6.34
	Less: Allowance for doubtful debts	(778.59)	(6.34)
	<b>Total</b>	<u><b>1,983.44</b></u>	<u><b>2,014.58</b></u>

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

During the quarter ended March 31, 2023 the Company has recorded a provision of INR 775.34 lakhs towards outstanding dues from one of its large customers who is undergoing stressful liquidity conditions. The Company is taking necessary steps to recover its dues and believes that provision recognised based on management's current estimate is adequate.

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**Ageing as at 31 March 2023**

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	Not yet due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivable - considered good	1,067.50	90.04	0.47	-	2.26	-	<b>1,160.26</b>
Undisputed trade receivables - which have significant increase in credit risk	425.28	1,173.96	0.10	1.17	-	1.25	<b>1,601.77</b>
Disputed trade receivable - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Less: Allowance for doubtful debts	(194.56)	(581.56)	(0.05)	(1.17)	-	(1.25)	<b>(778.59)</b>
<b>Total</b>	<b>1,298.22</b>	<b>682.45</b>	<b>0.52</b>	<b>-</b>	<b>2.26</b>	<b>-</b>	<b>1,983.44</b>

**Ageing as at 31 March 2022**

Particulars	Not yet due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivable - considered good	1,815.43	194.43	2.45	2.27	-	-	<b>2,014.58</b>
Undisputed trade receivables - which have significant increase in credit risk	-	2.80	0.08	0.16	1.09	2.21	<b>6.34</b>
Disputed trade receivable - considered good	-	-	-	-	-	-	-
Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Less: Allowance for doubtful debts	-	(2.80)	(0.08)	(0.16)	(1.09)	(2.21)	<b>(6.34)</b>
<b>Total</b>	<b>1,815.43</b>	<b>194.43</b>	<b>2.45</b>	<b>2.27</b>	<b>-</b>	<b>-</b>	<b>2,014.58</b>

		As at March 31, 2023	As at March 31, 2022
<b>10</b>	<b>Cash and Bank equivalents</b>		
	Balances with banks:		
	– In Current Accounts	7.62	711.18
	– In Term deposit accounts with maturity less than 3 months	2,550.00	2,840.00
		<u>2,557.62</u>	<u>3,551.18</u>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All Amounts are in INR Lakhs, unless otherwise stated)

		As at March 31, 2023	As at March 31, 2022
11	<b>Bank balance other than cash and cash equivalents</b>		
	Earmarked balances in current accounts	18.83	-
	– Current Accounts	<u>18.83</u>	<u>-</u>

Earmarked bank balances are restricted in use and it relates to unclaimed dividend

		As at March 31, 2023	As at March 31, 2022
12	<b>EQUITY SHARE CAPITAL</b>		
	<b>Authorised</b>		
	1,00,00,000 (March 31, 2022: 1,00,00,000) equity shares of Rs. 10 each	1,000.00	1,000.00
	<b>Issued, subscribed and fully paid-up</b>		
	46,00,000 (March 31, 2022: 46,00,000) equity shares of Rs.10 each fully paid up	460.00	460.00
	<b>Total issued, subscribed and fully paid-up share capital</b>	<u>460.00</u>	<u>460.00</u>

### Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. 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.

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

	March 31, 2023		March 31, 2022	
	No.	Rs.	No.	Rs.
At the beginning of the year	46,00,000	460.00	46,00,000	460.00
Outstanding at the end of the year	46,00,000	460.00	46,00,000	460.00

### (b) 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:

		As at March 31, 2023	As at March 31, 2022
	<b>CommScope Connectivity LLC</b>		
	31,04,360 (March 31, 2022: 31,04,360) equity shares of Rs.10 each fully paid up	310.44	310.44

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(All Amounts are in INR Lakhs, unless otherwise stated)

	As at March 31, 2023	As at March 31, 2022
<b>CommScope Technologies LLC</b> 2,08,677 (March 31, 2022: 2,08,677) equity shares of Rs.10 each fully paid up	20.87	20.87

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

	March 31, 2023		March 31, 2022	
	No.	% holding	No.	% holding
<b>Equity shares of Rs.10 each fully paid</b> CommScope Connectivity LLC	31,04,360	67.49%	31,04,360	67.49%

**(d) Shareholding of Promoter**

Promoter Name	Shares held as at March 31, 2023		Shares held as at March 31, 2022		Percentage change during the year
	No.	% holding	No.	% holding	
CommScope Connectivity LLC	31,04,360	67.49%	31,04,360	67.49%	-
CommScope Technologies LLC	2,08,677	4.54%	2,08,677	4.54%	-

	As at March 31, 2023	As at March 31, 2022
<b>13 Other equity</b>		
General reserve	776.39	776.39
Retained Earnings	3,961.31	3,787.49
<b>Total</b>	<b>4,737.70</b>	<b>4,563.88</b>

**General Reserve** - Under the erstwhile Indian Companies Act 1956, a general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year.

Consequent to introduction of Companies Act 2013, the requirement of mandatory transfer of a specified percentage of the net profit to general reserve has been withdrawn and the Company can optionally transfer any amount from the surplus of profit and loss to the General reserves. This reserve is utilised in accordance with the specific provisions of the Companies Act 2013.

**Retained earnings** - Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss. Retained earnings is a free reserve available to the Company.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All Amounts are in INR Lakhs, unless otherwise stated)

		As at March 31, 2023	As at March 31, 2022
<b>14</b>	<b>Other financial liabilities</b>		
	<b>Current</b>		
	Unpaid dividends	18.83	-
	<b>Total</b>	<b>18.83</b>	<b>-</b>

		As at March 31, 2023	As at March 31, 2022
<b>15</b>	<b>Provisions</b>		
	<b>Non-current</b>		
	Provision for Gratuity Payable	59.22	61.71
		<u>59.22</u>	<u>61.71</u>
	<b>Current</b>		
	Provision for Compensated Absences	25.41	22.76
		<u>25.41</u>	<u>22.76</u>

		As at March 31, 2023	As at March 31, 2022
<b>16</b>	<b>Trade payables</b>		
	(i) Total outstanding dues of micro enterprises and small enterprises (Refer note 35)	79.07	59.17
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,364.09	2,369.69
		<u>2,443.16</u>	<u>2,428.86</u>

Trade Payables are normally settled within 15-90 days. Details of trade payables from related parties have been disclosed under note 33

### Trade Payables ageing schedule

Particulars	As at March 31, 2023		As at March 31, 2022	
	MSME	Others	MSME	Others
Balance outstanding which are overdue for:				
Not due	76.99	1,738.59	54.53	1,179.18
Less than 1 Year	2.08	625.50	4.64	1,190.51
1-2 Years	-	-	-	-
2-3 Years	-	-	-	-
More than 3 Years	-	-	-	-
<b>Total</b>	<u>79.07</u>	<u>2,364.09</u>	<u>59.17</u>	<u>2,369.69</u>



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(All Amounts are in INR Lakhs, unless otherwise stated)

		As at March 31, 2023	As at March 31, 2022
<b>17</b>	<b>Current tax liability (Net)</b>		
	Current tax payable	486.35	274.64
	Less: Advance tax and TDS	(406.49)	(270.52)
		<u>79.86</u>	<u>4.12</u>

		As at March 31, 2023	As at March 31, 2022
<b>18</b>	<b>Other current liabilities</b>		
	Advance from customers	0.66	0.30
	Statutory liabilities	21.21	23.09
	<b>Total</b>	<u>21.87</u>	<u>23.39</u>

		For the year ended March 31, 2023	For the year ended March 31, 2022
<b>19</b>	<b>Revenue from operations</b>		
	Sale of products		
	Finished Goods	671.71	567.73
	Traded Goods	13,618.32	11,497.14
		<u>14,290.03</u>	<u>12,064.87</u>
	Other operating revenue		
	Scrap Sales	0.41	6.19
	Freight Recovered	0.81	0.22
	<b>Revenue from operations</b>	<u>14,291.25</u>	<u>12,071.28</u>

		For the year ended March 31, 2023	For the year ended March 31, 2022
	<b>Detail of products sold</b>		
	<b>Finished goods sold</b>		
	Telecom products/connectors, accessories	484.43	372.61
	Tools	3.06	10.52
	Patch cords	184.22	184.60
		<u>671.71</u>	<u>567.73</u>
	<b>Traded goods sold</b>		
	Cables	8,584.43	7,453.05
	Connector and patch cords	3,348.19	2,755.69
	Others	1,685.70	1,288.39
		<u>13,618.32</u>	<u>11,497.13</u>

**Ind AS 115 Revenue from Contracts with Customers**

The Company recognises revenue when control over the promised goods or services is transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The Company has assessed and determined the following categories for disaggregation of revenue in addition to that provided under segment disclosure (refer note 29):

(All Amounts are in INR Lakhs, unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from contracts with customers		
- Sale of products	14,290.03	12,064.87
Other Operating income	1.22	6.41
<b>Total revenue from operations</b>	<b>14,291.25</b>	<b>12,071.28</b>
India	14,096.85	11,971.35
Outside India	194.40	99.93
<b>Total revenue from operations</b>	<b>14,291.25</b>	<b>12,071.28</b>
Timing of revenue recognition		
At a point in time	14,291.25	12,071.28
<b>Total revenue from operations</b>	<b>14,291.25</b>	<b>12,071.28</b>

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Contract Balances</b>		
Trade Receivable	1,983.44	2,014.58
<b>Total</b>	<b>1,983.44</b>	<b>2,014.58</b>

The credit period on sales of goods ranges from 30 to 90 days with or without security. As at March 31, 2023 Rs. 778.59 lakhs (PY 6.34 lakhs) was recognised as provision for allowance for doubtful debts on trade receivables.

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>20 Other income</b>		
Interest income:		
- On bank deposits	99.99	48.72
- On Income tax refund	3.34	17.38
Miscellaneous income	6.66	2.13
Reversal of provision for doubtful receivables/advances	-	43.21
Net foreign exchange gain	-	0.28
	<b>109.99</b>	<b>111.72</b>

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>21 Cost of materials consumed</b>		
Inventory at the beginning of the year	187.69	75.39
Add: Purchases	828.29	529.75
	<b>1,015.98</b>	<b>605.14</b>
Less: inventory at the end of the year	557.44	187.69
<b>Total</b>	<b>458.54</b>	<b>417.45</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(All Amounts are in INR Lakhs, unless otherwise stated)

		For the year ended March 31, 2023	For the year ended March 31, 2022
	<b>Details of Inventory consumed</b>		
	PCB Assy-CAT6	178.61	154.18
	Special Alloy	9.09	13.75
	Contacts	40.13	43.02
	UTP Info Outlets	40.85	14.30
	Others	189.86	192.20
		<u>458.54</u>	<u>417.45</u>

		For the year ended March 31, 2023	For the year ended March 31, 2022
<b>22</b>	<b>Details of purchase of traded goods</b>		
	Cables	8,061.08	7,094.93
	Connector and Patch Cords	1,345.96	755.67
	Others	2,209.06	1,587.73
		<u>11,616.10</u>	<u>9,438.33</u>

		For the year ended March 31, 2023	For the year ended March 31, 2022
<b>23</b>	<b>(Increase)/ decrease in inventories of finished goods, work-in-progress and traded goods</b>		
	Inventories at the end of the year		
	Traded goods	1,589.87	836.52
	Work-in-progress	1.94	3.71
	Finished goods	113.18	180.73
		<u>1,704.99</u>	<u>1,020.96</u>
	Inventories at the beginning of the year		
	Traded goods	836.52	940.66
	Work-in-progress	3.71	4.36
	Finished goods	180.73	109.88
		<u>1,020.96</u>	<u>1,054.90</u>
	<b>Total</b>	<u>(684.03)</u>	<u>33.94</u>

		For the year ended March 31, 2023	For the year ended March 31, 2022
<b>24</b>	<b>Employee benefit expense</b>		
	Salaries, wages and bonus	382.65	361.98
	Contribution to provident and other funds (Refer note 31)	36.45	33.20
	Staff welfare expenses	9.60	7.53
		<u>428.70</u>	<u>402.71</u>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All Amounts are in INR Lakhs, unless otherwise stated)

		For the year ended March 31, 2023	For the year ended March 31, 2022
<b>25</b>	<b>Finance cost</b>		
	Interest expense on		
	- Income tax	7.46	-
	- Other taxes	1.26	1.43
		<u>8.72</u>	<u>1.43</u>

		For the year ended March 31, 2023	For the year ended March 31, 2022
<b>26</b>	<b>Depreciation and amortization expense</b>		
	Depreciation of property, plant and equipment (Refer note 4)	20.99	30.85
		<u>20.99</u>	<u>30.85</u>

		For the year ended March 31, 2023	For the year ended March 31, 2022
<b>27</b>	<b>Other expenses</b>		
	Power and fuel	14.61	13.75
	Repairs and maintenance		
	Plant and machinery	11.27	16.80
	Buildings	5.07	2.67
	Others	47.36	55.50
	Rates and taxes	4.48	19.88
	Insurance	17.79	14.60
	Professional and consultancy charges	103.51	83.30
	Expenditure on Corporate Social Responsibility (Refer Note 36)	15.00	13.00
	Remuneration to auditors (refer details below)	19.57	19.57
	Telephone and communication	7.12	6.78
	Advertisement and sales promotion	134.01	191.62
	Travelling and conveyance	8.78	12.47
	Foreign exchange loss (net)	15.21	-
	Freight outwards	192.49	193.46
	Provision for doubtful trade receivables	772.25	-
	Bad trade receivables written off	1.67	10.94
	Loss on property, plant and equipment sold/discarded (net)	0.40	-
	Director Sitting Fees	26.85	19.40
	Security Services	20.89	17.99
	Miscellaneous expenses	28.98	29.75
		<u>1,447.31</u>	<u>721.48</u>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

(All Amounts are in INR Lakhs, unless otherwise stated)

	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Remuneration to auditors</b>		
For Audit (including fees for limited reviews)	19.00	19.00
Reimbursement of expenses	0.57	0.57
	<u>19.57</u>	<u>19.57</u>

**28. Current Tax and Deferred Tax**

**Income Tax recognised in Statement of profit and loss**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Current Tax:</b>		
In respect of current year	478.90	274.10
In respect of prior years	3.23	(0.11)
<b>Deferred Tax:</b>		
In respect of current year	(194.71)	14.56
<b>Total income tax expense recognised in the Statement of profit and loss</b>	<u>287.42</u>	<u>288.55</u>

**Movement in deferred tax balances**

Particulars	For the year ended March 31, 2023			
	Opening Balance	Recognised in Profit and Loss	Recognised in Other Comprehensive Income	Closing Balance
<u>Tax effect of items constituting deferred tax assets</u>				
Employee Benefits and other provisions	27.68	194.90	(0.11)	222.47
Property, Plant and Equipment	1.30	(0.19)	-	1.11
	28.98	194.71	(0.11)	223.58
<b>Net Deferred Tax Asset / (Liabilities)</b>	<b>28.98</b>	<b>194.71</b>	<b>(0.11)</b>	<b>223.58</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(All Amounts are in INR Lakhs, unless otherwise stated)

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

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

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Profit before tax</b>	1,104.91	1,136.81
Enacted income tax rate in India	25.2%	25.2%
Computed expected tax expense	278.08	286.11
Effect on account of non-deductible expenses under income tax	5.39	3.62
Tax related to earlier years	3.23	(0.11)
Others	0.72	(1.07)
<b>Income tax expense recognised in Statement of profit and loss</b>	<b>287.43</b>	<b>288.55</b>

### 27. Segment Information

#### (i) Products and services from which reportable segments derive their revenues

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

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

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

Telecommunication: Manufacturing and trading of Telecom products.

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

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

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**(ii) Segment revenues and results**

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

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023				For the year ended March 31, 2022			
	Telecommunication	IT - Networking	Unallocable	Total	Telecommunication	IT - Networking	Unallocable	Total
Inter-Segmental revenue	-	-	-	-	-	-	-	-
Revenue from external customers	346.02	13,945.23	-	14,291.25	476.57	11,594.71	-	12,071.28
<b>Total segment revenue</b>	<b>346.02</b>	<b>13,945.23</b>	<b>-</b>	<b>14,291.25</b>	<b>476.57</b>	<b>11,594.71</b>	<b>-</b>	<b>12,071.28</b>
Particulars	For the year ended March 31, 2023				For the year ended March 31, 2022			
	Telecommunication	IT - Networking	Unallocable	Total	Telecommunication	IT - Networking	Unallocable	Total
Segment results-EBITDA (Earnings before interest, taxes, depreciation and amortization)	55.07	1,010.78	68.76	1,134.61	63.00	1,072.56	33.53	1,169.09
Finance costs	-	-	8.72	8.72	-	-	1.43	1.43
Depreciation and amortization expense	0.51	20.47	-	20.98	1.22	29.63	-	30.85
<b>Profit before income tax</b>	<b>54.56</b>	<b>990.30</b>	<b>60.04</b>	<b>1,104.90</b>	<b>61.78</b>	<b>1,042.93</b>	<b>32.10</b>	<b>1,136.81</b>

**(iii) Segment assets and liabilities**

Particulars	As at March 31, 2023				As at March 31, 2022			
	Telecommunication	IT - Networking	Unallocable	Total	Telecommunication	IT - Networking	Unallocable	Total
<b>Segment assets</b>								
Segment assets	702.25	3,994.80	573.80	5,270.85	419.29	3,237.07	350.29	4,006.65
Unallocable assets								
Cash and bank balances	-	-	2,557.62	2,557.62	-	-	3,551.18	3,551.18
Interest accrued on fixed deposits	-	-	17.58	17.58	-	-	6.89	6.89
<b>Total assets</b>	<b>702.25</b>	<b>3,994.80</b>	<b>3,149.00</b>	<b>7,846.05</b>	<b>419.29</b>	<b>3,237.07</b>	<b>3,908.36</b>	<b>7,564.72</b>
<b>Segment liabilities</b>								
Segment liabilities	62.35	2,487.31	79.86	2,629.52	96.11	2,440.60	4.13	2,540.84
<b>Unallocable liabilities</b>								
Unpaid dividends	-	-	18.83	18.83	-	-	-	-
<b>Total liabilities</b>	<b>62.35</b>	<b>2,487.31</b>	<b>98.69</b>	<b>2,648.35</b>	<b>96.11</b>	<b>2,440.60</b>	<b>4.13</b>	<b>2,540.84</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### (iv) Revenue from major products and services

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Telecom products/connectors, accessories	484.43	372.61
Tools	3.06	10.52
Cables	8,584.43	7,453.05
Connector and patch cords	3,532.41	2,940.29

### (v) Geographical information

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

#### Revenue from external customers

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
From India	14,096.85	11,971.35
From Other countries	194.40	99.93
<b>Total</b>	<b>14,291.25</b>	<b>12,071.28</b>

#### Non current assets

Particulars	As at March 31, 2023	As at March 31, 2022
In India	897.01	704.27
In Other countries	-	-
<b>Total</b>	<b>897.01</b>	<b>704.27</b>

### (vi) Information about major customers

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Revenue from top two customers (PY top three customers)	<b>12,009.00</b>	<b>10,428.95</b>

Two customer contributed 10% or more to Company's revenues for 2022-23.

### 30. Earnings per share

#### Basic / Diluted earnings per equity share

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Nominal value of equity share (Rs.)	10	10
Profit for the year (Rs. Lakhs) - (A)	817.49	848.26
Weighted average number of shares outstanding (B)	46,00,000	46,00,000
Basic and Diluted earnings per share (Rs.) - (A/B)	17.77	18.44



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****31. Employee benefit plans****Defined contribution plans**

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

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Employer's contribution to Provident fund	14.11	12.31
Employer's contribution to Superannuation and NPS fund	14.39	13.21

**Defined benefit plans**

The Company sponsors funded defined benefit plans for all qualifying employees. The level of benefits provided depends on the member's length of service and salary at retirement age.

The gratuity plan is covered by The Payment of Gratuity Act, 1972. Under the gratuity plan, the eligible employees are entitled to post-retirement benefit at the rate of 15 days' salary for each year of service until the retirement age of 58, 60 and 62, without any payment ceiling. The vesting period for gratuity as payable under The Payment of Gratuity Act, 1972 is 5 years.

Under the Compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. At the rate of daily salary, as per current accumulation of leave days.

The plans in India typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

The trustees of the trust fund are responsible for the overall governance of the plan.

**a. Investment Risk:**

The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to government bond yields; if the return on plan asset is below this rate, it will create a plan deficit.

**b. Interest Risk:**

A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the value of the plan's debt investments.

**c. Longevity Risk:**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

**d. Salary Risk:**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

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

The most recent actuarial valuation of the plan assets and the present value of the defined benefit obligation were carried out at 31 March, 2023 by Independent, Qualified Actuary. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Disclosure of Defined Benefit Cost for the year ended March 31, 2023 and year ended March 31, 2022

### Components of Employer Expense

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	3.68	3.68
Past service cost and loss/(gain) on curtailments and settlement past service cost - plan amendments	-	-
<b>Service cost</b>	<b>3.68</b>	<b>3.68</b>
Net interest on net defined benefit liability / (asset)	4.29	4.00
<b>Total included in 'Employee Benefit Expense'</b>	<b>7.97</b>	<b>7.68</b>
Expenses deducted from the fund	-	-
<b>Total Charge to Statement of Profit &amp; Loss</b>	<b>7.97</b>	<b>7.68</b>

### Other Comprehensive Income ( OCI )

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening amount recognized in OCI outside profit and loss account	12.26	16.98
Actuarial (gain)/loss due to experience adjustments	4.88	(3.01)
Actuarial (gain)/loss due to change in financial assumptions	(4.33)	(1.46)
Actuarial (gain)/loss due to change in demographic assumptions	-	-
Actual return on plan assets less interest on plan assets	(1.00)	(0.25)
<b>Actuarial (gain)/loss arising during period</b>	<b>(0.45)</b>	<b>(4.72)</b>
<b>Actuarial (gains)/ losses recognized in OCI</b>	<b>11.81</b>	<b>12.26</b>

### Net Balance Sheet position

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Defined benefit obligation (DBO)	(145.20)	(131.89)
Fair value of plan assets (FVA)	85.99	70.18
Funded status [surplus/(deficit)]	(59.21)	(61.71)
<b>Net defined benefit asset/ (liability)</b>	<b>(59.21)</b>	<b>(61.71)</b>

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****Reconciliation of Net Balance Sheet Position**

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening net defined asset/(liability)	(61.71)	(58.75)
Charge to Statement of Profit & Loss	(7.97)	(7.68)
Amount recognised outside profit & loss account	0.46	4.72
	<b>(69.22)</b>	<b>(61.71)</b>
Employer contributions	10.00	-
<b>Net defined benefit asset/ (liability) at end of current period</b>	<b>(59.22)</b>	<b>(61.71)</b>

**Disclosure of Defined Benefit Cost for the year ended March 31, 2023 and year ended March 31, 2022  
Change in Defined Benefit Obligation (DBO)**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening of DBO	131.89	131.39
Current service cost	3.67	3.68
Interest cost on the DBO	9.09	8.68
Remeasurements due to:		
Actuarial (gain)/loss due to experience adjustments	4.88	(3.01)
Actuarial (gain)/loss due to change in financial assumptions	(4.33)	(1.46)
Actuarial (gain)/loss due to change in demographic assumptions	-	-
Benefits paid directly by the Company	-	(7.39)
<b>DBO at end of current period</b>	<b>145.20</b>	<b>131.89</b>

**Change in Fair Value of Assets**

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening fair value of plan assets	70.18	72.63
Interest income on plan assets	4.80	4.69
Employer contributions	10.00	-
Remeasurement due to Actual return on plan asset less interest on plan assets	1.00	0.25
Benefits paid	-	(7.39)
<b>Fair Value of assets at the end of current period</b>	<b>85.98</b>	<b>70.18</b>

**Plan Asset Information**

Particulars	As at March 31, 2023	As at March 31, 2022
Insurer managed funds (Unquoted)	85.99	70.18
<b>Total</b>	<b>85.99</b>	<b>70.18</b>

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### Current and Non Current Liability Portion

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Current Asset / (Liability)	(59.22)	(61.71)
Non Current Asset/ (Liability)	-	-
<b>Net Asset/(Liability)</b>	<b>(59.22)</b>	<b>(61.71)</b>

### Key Assumptions

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount Rate	7.40%	6.95%
Mortality rate	Indian assured lives mortality (2012 -14) ultimate mortality table	Indian assured lives mortality (2012 -14) ultimate mortality table
Salary escalation rate (p.a.)	10.00%	10.00%
Disability Rate (as % of above mortality rate)	Nil	Nil
Leaving Service	Nil	Nil
<b>Normal Retirement Age</b>	<b>58 Years</b>	<b>58 Years</b>
<b>Average Age of Service</b>	<b>50 Years</b>	<b>49 Years</b>
<b>Average Future service</b>	<b>8 Years</b>	<b>9 Years</b>

### Sensitivity Analysis

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

Discount Rate	For the year ended March 31, 2023	For the year ended March 31, 2022
Impact of increase in 50 bps on DBO	(3.16%)	(3.56%)
Impact of decrease in 50 bps on DBO	3.32%	3.75%

Salary Escalation Rate	For the year ended March 31, 2023	For the year ended March 31, 2022
Impact of increase in 50 bps on DBO	2.02%	2.14%
Impact of decrease in 50 bps on DBO	(1.93%)	(2.05%)

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

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****Maturity analysis of projected benefit obligation**

The expected cash flow profile of the benefits to be paid to the current membership of the plan based on past service of the employees is as follows:

(All Amounts are in INR Lakhs, unless otherwise stated)

Projected Benefit Payable	For the year ended March 31, 2023	For the year ended March 31, 2022
Less than a Year	22.70	2.27
Between 1 - 5 years	32.39	50.14
Over 5 Years	199.35	182.73

**Other Long Term Benefits****Compensated absences**

Under the compensated absences plan, leave encashment is payable to all eligible employees on separation from the Company due to death, retirement, superannuation or resignation. Employee are entitled to encash leave while serving in the Company at the rate of daily salary, as per current accumulation of leave days.

**32. Financial Instruments****Capital management**

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

**Categories of financial instruments**

Financial Assets	As at March 31, 2023	As at March 31, 2022
<b>Financial assets</b>		
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at fair value through Other Comprehensive Income (FVTOCI)	-	-
Measured at amortised cost		
(a) Cash and bank balances	2,557.62	3,551.18
(b) Other bank balances	18.83	-
(c) Other financial assets (including trade receivables)	2,011.82	2,031.03
<b>Financial liabilities</b>		
Measured at fair value through profit or loss (FVTPL)	-	-
Measured at fair value through Other Comprehensive Income (FVTOCI)	-	-
Measured at amortised cost		
(a) Other financial liabilities (including trade payables)	2,461.99	2,428.86

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### Financial risk management objectives

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

### Foreign currency risk management

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

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

(All Amounts are in INR Lakhs, unless otherwise stated)

Currency	Trade receivables	
	As at March 31, 2023	As at March 31, 2022
USD	11.64	-

Currency	Trade payables	
	As at March 31, 2023	As at March 31, 2022
USD	403.55	149.62
Euro	0.30	-

### Foreign currency sensitivity analysis

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

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

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Impact on profit or loss for the year	(19.59)	(7.48)
Impact on total equity as at the end of the reporting	(19.59)	(7.48)

### Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The Company monitors its trade receivables on case to case basis based on the ageing of the days the receivables are due. The concentration of credit risk is with two major customers constituting 70% of trade receivables. This credit risk did not exceed 31% of gross monetary assets at any time during the year. The Company does not hold any collaterals to cover its risk associated with trade receivables.

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

**Reconciliation of loss allowances provision - Trade receivables**

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	Amount
Loss allowance on March 31, 2022	6.34
Change in loss allowance	772.25
Loss allowance on March 31, 2023	778.59

**Liquidity risk**

Liquidity risk is the risk that the company could be unable to meet its short term financial demands. Ultimate responsibility for liquidity risk management rests with the management, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual short term and long term cash flows, and by matching the maturity profiles of financial assets and liabilities. A portion of the company's surplus cash is retained as investments in Liquid Mutual Funds to fund short term requirements.

**Liquidity analysis for non derivative financial liabilities**

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

(All Amounts are in INR Lakhs, unless otherwise stated)

March 31, 2023 Financial Liabilities	Due within (years)		Total	Carrying amount
	Less than 1 year	More than 1 year		
Trade payables	2,443.16	-	2,443.16	2,443.16
<b>Total</b>	<b>2,443.16</b>	<b>-</b>	<b>2,443.16</b>	<b>2,443.16</b>

March 31, 2022 Financial Liabilities	Due within (years)		Total	Carrying amount
	Less than 1 year	More than 1 year		
Trade payables	2,428.86	-	2,428.86	2,428.86
<b>Total</b>	<b>2,428.86</b>	<b>-</b>	<b>2,428.86</b>	<b>2,428.86</b>

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

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 33. Related Party Disclosures

#### Names of related parties and related party relationship

##### i) Key managerial personnel (KMP)

Mr. J N Mylaraiah, Managing Director  
 Mr. Rakesh Bhanushali, Chief Financial Officer  
 Mr. Ganesh, Company Secretary  
 Mr. S Devarajan, Chairman & Independent Director  
 Ms. Revathy Ashok, Independent Director  
 Ms. Vijaya Latha Reddy, Independent Director  
 Mr. Ravi Bosco Rebello, Non-Executive Director  
 Ms. Yaman Roy, Non-Executive Director

##### ii) Related parties where control exists

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

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

Fellow Subsidiaries	CommScope India Pvt Ltd. CommScope Czech Republic S R O CommScope Technologies LLC
---------------------	--



**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023**

**Transactions with related parties**

(All Amounts are in INR Lakhs, unless otherwise stated)

Nature of Transactions	Fellow Subsidiaries		KMP / Relatives of KMP	
	For the year ended 31-Mar-23	For the year ended 31-Mar-22	For the year ended 31-Mar-23	For the year ended 31-Mar-22
<b>Sale of products</b>				
CommScope India Pvt Ltd.	200.18	276.53	-	-
<b>Purchase of goods / services</b>				
CommScope India Pvt Ltd.	5,992.05	4,932.97	-	-
CommScope Czech Republic S R O	333.92	-	-	-
<b>Advertisement and sales promotion</b>				
CommScope India Pvt Ltd.	106.33	202.17	-	-
<b>Reimbursement of expenses</b>				
CommScope Networks India Pvt Ltd.	-	0.09	-	-
<b>Balances written back</b>				
CommScope Technologies LLC	6.66	-	-	-
<b>Dividend Paid*</b>				
CommScope Connectivity LLC	-	65.97	-	-
CommScope Technologies LLC	-	4.08	-	-
<b>Managerial Remuneration</b>				
Mr. Mylaraiah	-	-	70.19	70.19
Mr. Rakesh Bhanushali	-	-	54.31	54.31
Mr. Ganesh	-	-	22.45	21.18
<b>Sitting Fees Paid</b>				
Mr. S Devarajan	-	-	10.95	7.00
Ms. Revathy Ashok	-	-	9.70	6.70
Ms. Vijaya Latha Reddy	-	-	6.20	5.70

**Balances with related parties**

	Fellow Subsidiaries	
	As at March 31, 2023	As at March 31, 2022
<b>Balance of trade payables</b>		
CommScope Technologies LLC	-	6.66
CommScope India Pvt Ltd.	996.86	741.77
CommScope Czech Republic S R O	327.78	-
<b>Balance of trade receivables</b>		
CommScope India Pvt Ltd.	48.77	62.44

**Terms and conditions of transactions with related parties**

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The company has not recorded any impairment of receivables relating to amounts owed by related parties during the year ended March 31, 2023.

\*Pursuant to the amendment in related party transactions definition as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended subsequently, payment of dividend is not shown as related party transaction with effect from April 01, 2022.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

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

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
Income Tax demands contested by the Company	76.73	228.32
Customs duty, excise duty & service tax demand contested by the Company	236.21	214.73
<b>TOTAL</b>	<b>312.94</b>	<b>443.05</b>

- i) The company has some erroneous demands reflecting in the income tax portal for which rectification applications have been filed with the assessing officer. For AY 2011-12 Company has received an order from ITAT. As per the ITAT order Transfer Pricing Officer is advised to recompute the TP adjustment and restrict the adjustment to the value of International transactions and not to the entire turnover as well as adopt RPM as MAM for trading segment. Accordingly since the demand liability for the said AY is currently not ascertainable the same has not been covered under in the above table . Also against the said ITAT order AO has filed an appeal with high Court hearing against which is still pending.
- ii) The Company had received an order for FY 2013-2017 with respect to incorrect availment of CENVAT input credit amounting to Rs. 214.73 lakhs. The same pertains to availment of input credit on proportionate basis for common services and availment of input credit on trading activities. The Company has filed an appeal with Central Excise, Service Tax Appellate Tribunal (CESTAT).

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

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

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
(a) the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year. Principal amount due to micro and small enterprises: Interest due on above:	79.07 -	59.17 -
(b) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	1.11	0.83
(d) The amount of interest accrued and remaining unpaid at the end of each accounting year.	17.23	16.12
(e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

### 36. Corporate Social Responsibility

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

(All Amounts are in INR Lakhs, unless otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) Amount required to be spent by the Company during the year	14.03	12.70
(b) Amount of expenditure incurred on purpose other than construction/ acquisition of any asset	15.00	13.00
(c) Excess spend of prior years set off during the year	-	-
(d) Shortfall at the end of the year [(d)=(a)-(b)-(c)]	-	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall	NA	NA

### 37. Key Ratios

Particulars	Numerator	Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	% Variance	Reason for variance
Current ratio	Current Assets	Current Liabilities	2.68	2.77	-3%	
Debt - Equity Ratio	Total Debt	Shareholder's Equity	NA	NA	0%	Not applicable since the company does not have any debt
Debt Service Coverage Ratio	Earnings available for Debt Services	Debt Service	NA	NA	0%	
Return on Equity	Net Profits after Taxes - Preference Dividend (if any)	Average Shareholder's Equity = Equity Share Capital & Reserves	16%	18%	-11%	
Inventory Turnover Ratio	Cost of goods sold or Sale	Average Inventory	6.56	8.46	-22%	
Trade receivables turnover Ratio	Revenue from Operations excluding other operating revenue	Average Accounts Receivable	7.15	6.35	13%	
Trade payables turnover Ratio	Cost of goods sold	Average Trade Payables	4.68	4.34	8%	
Net capital turnover Ratio	Revenue from operations	Working Capital = Current assets - Current liabilities	3.28	2.76	19%	
Net profit ratio	Profit after tax	Revenue from Operations	0.06	0.07	-20%	
Return on capital employed ratio	Earning before interest & taxes	Capital Employed = Tangible Net worth + Total long term borrowings + Deferred Tax Liability	0.21	0.23	-5%	
Return on Investment	Interest Income on FD's	Average Cash, Cash equivalents & Other marketable securities.	3%	2%	114%	Increase is due to additional fixed deposits invested in the current period.

## NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

### 38. Additional regulatory information not disclosed elsewhere in the financial statements

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
  - (ii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
  - (iii) As per section 248 of the Companies Act, 2013, there are no balances outstanding or transactions with struck off companies.
  - (iv) The Company has not traded / invested in Crypto currency or virtual currency.
  - (v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
    - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
    - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
  - (vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
    - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
    - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (vii) The Company has no such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
  - (viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
39. The Board of Directors has recommended a dividend of Rs. 4 (Rupees four only) per share equity share of Rs 10 each for the year ended March 31, 2023 subject to the approval of the members at the ensuing Annual General Meeting.
40. During the year ended March 31, 2023, the Company has taken daily backups of the books of account and other books and papers maintained in electronic mode on servers physically located outside India. The Company is in the process of taking necessary steps backups are maintained on servers physically located in India, as required by the Companies (Accounts) Rules, 2014.
41. Previous Year Comparatives  
Previous Year figures have been re-grouped where necessary to conform to current year's classification.
42. The financial statements were authorized for issuance by the Company's Board of Directors on May 26, 2023.

#### As per our report of even date

#### For S R B C & CO LLP

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

#### Per Suresh Yadav

Partner

Membership No. 119878

Place: Mumbai

Date : May 26, 2023

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

#### S.Devarajan

Chairman and Director

#### Rakesh Bhanushali

Chief Financial Officer

#### Mylaraiah J.N

Managing Director

#### R. Ganesh

Company Secretary

Place: Bangalore

Date : May 26, 2023







COMMScope®

© 2021 CommScope, Inc.

And the Rights. All trademarks identified by

® or ™ are registered trademarks or trademarks,

respectively, of CommScope, Inc.