

AGC/PB/SE/2013/031

August 12, 2013

AGC Networks Ltd.
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Corporate Relationship Department Bombay Stock Exchange Limited P.J. Towers, Dalal Street, Fort, Mumbai - 400 001	Corporate Relationship Department National Stock Exchange Limited Exchange plaza, Bandra Kurla complex, Bandra (E) Mumbai 400051
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Dear Sir,

Sub.: Outcome of the Board meeting dated 12th August, 2013 & un-audited financial results of the Company (stand-alone and consolidated) for the quarter ended 30th June, 2013

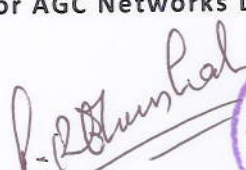
Ref.: Script code BSE 500463/NSE AGCNET

This is to inform you that the Board at its meeting held on Monday, 12th August, 2013 at registered office of the Company, inter-alia considered and approved the un-audited financial results of the Company (stand-alone and consolidated) for the quarter ended 30th June, 2013. Signed copies of the same along with the copy of Limited Review Report from the statutory auditors of the Company for the quarter ended 30th June, 2013 are attached herewith.

This is for your information, record and necessary action.

Thanking You,

For AGC Networks Limited


Pratik Bhanushali
Company Secretary
Encl.: A./a.



Limited Review Report**Review Report to
The Board of Directors
AGC Networks Limited**

1. We have reviewed the accompanying statement of unaudited financial results of AGC Networks Limited ('the Company') for the quarter ended June 30, 2013 (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting", notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants

Shyam Pachisia

per Shyamsundar Pachisia
Partner
Membership No.: 49237



Place: Mumbai

Date: 12 AUG 2013

S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

5th Floor, Block B 2
Nirlon Knowledge Park
Off Western Express Highway
Goregaon (East), Mumbai-400 063, India
Tel : +91 22 6192 0000
Fax : +91 22 6192 3000

Limited Review Report

**Review Report to
The Board of Directors
AGC Networks Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of AGC Networks Group comprising AGC Networks Limited ('the Company') and its subsidiaries (together, 'the Group'), for the quarter ended June 30, 2013 (the "Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 Interim Financial Reporting notified pursuant to the Companies (Accounting Standards) Rules, 2006, (as amended) and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For S.R. BATLIBOI & ASSOCIATES LLP
ICAI Firm registration number: 101049W
Chartered Accountants

Shyam Pachisia

per Shyamsundar Pachisia
Partner
Membership No.: 49237



Place: Mumbai

Date: 12 AUG 2013

AGC NETWORKS LIMITED
Registered Office :- Equinox Business Park (Peninsula Techno Park), Off Bandra Kurla Complex, LBS Marg, Kurla (West), Mumbai - 400070.
STATEMENT OF STANDALONE/CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2013

AGC
Enabling Experience
₹ in Millions

Sr. No.	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended		Quarter ended		Year ended	
		Unaudited 30/06/2013	Audited (Refer note 2) 31/03/2013	Unaudited 30/06/2012	Audited 31/03/2013	Unaudited 30/06/2013	Audited (Refer note 2) 31/03/2013	Unaudited 30/06/2012	Audited 31/03/2013
1	Gross sales/income from operations	774	1,709	1,434	5,910	1,321	2,839	2,458	10,612
	Excise duty	3	12	5	32	3	12	5	32
	(a) Net sales/income from operations	771	1,697	1,429	5,878	1,318	2,827	2,453	10,580
	(b) Other operating income	10	14	43	66	11	21	43	91
	Total income from operations (net)	781	1,711	1,472	5,944	1,329	2,848	2,496	10,671
2	Expenses								
	a) Cost of materials consumed	17	66	44	228	17	66	44	228
	b) Purchase of stock-in-trade	650	948	752	3,142	1,308	1,915	1,563	6,390
	c) Change in inventories of finished goods, work-in-progress and stock-in-trade	(125)	49	(54)	(162)	(260)	(296)	(210)	(734)
	d) Employee benefits expenses	279	312	280	1,142	601	692	436	2,196
	e) Depreciation and amortisation expense	24	27	27	111	100	43	38	163
	f) Service Charge	135	297	204	998	449	499	225	1,378
	g) Other expenses (Any item exceeding 10% of the total expenses relating to continuing operations to be shown separately)	300	240	191	737	562	462	211	1,211
	Total expenses	1,280	1,939	1,444	6,196	2,777	3,381	2,327	10,832
3	(Loss)/Profit from operations before other income, finance costs and exceptional items (1-2)	(499)	(228)	28	(252)	(848)	(533)	169	(161)
4	Other income	57	42	35	421	58	43	36	424
5	(Loss)/Profit from ordinary activities before finance costs and exceptional items (3+4)	(442)	(186)	63	169	(790)	(490)	205	283
6	Finance costs	70	98	42	323	83	111	48	362
7	(Loss)/Profit from ordinary activities after finance costs but before exceptional items (5-6)	(512)	(284)	21	(154)	(873)	(601)	157	(99)
8	Exceptional items	-	-	-	-	-	-	-	-
9	Profit from ordinary activities before tax (7-8)	(512)	(284)	21	(154)	(873)	(601)	157	(99)
10	Tax expense	-	106	(41)	78	(29)	74	(21)	120
11	Net (Loss)/Profit from ordinary activities after tax (9-10)	(512)	(390)	62	(232)	(844)	(675)	178	(219)
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-	-	-
13	Net (Loss)/Profit for the period (11-12)	(512)	(390)	62	(232)	(844)	(675)	178	(219)
14	Share of profit/(loss) of associates	-	-	-	-	-	-	-	-
15	Minority interest	-	-	-	-	-	-	-	-
16	Net (Loss)/Profit after taxes, minority interest and share of profit of associates (13+14+15)	(512)	(390)	62	(232)	(844)	(675)	178	(219)
17	Paid-up equity share capital (face value of ₹ 10 each)	285	285	142	285	285	285	142	285
18	Reserves excluding Revaluation Reserves as per balance sheet	-	-	-	2,105	-	-	-	2,771
19	Earnings per share of ₹ 10/- each (not annualised):	(18)	(14)	2	(8)	(30)	(24)	6	(8)
	(a) Basic								
	(b) Diluted								

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BY

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI



Sr. No.	Particulars	Standalone				Consolidated			
		Quarter ended		Year ended	Quarter ended		Year ended		
		Unaudited 30/06/2013	Audited (Refer note 2) 31/03/2013		Unaudited 30/06/2012	Audited (Refer note 2) 31/03/2013			
A	PARTICULARS OF SHAREHOLDING								
1	Public shareholding :								
	Number of shares	7,116,616	7,116,616	3,558,308	7,116,616	7,116,616	7,116,616	3,558,308	7,116,616
	Percentage of shareholding	25.00	25.00	25.00	25.00	25.00	25.00	25.00	25.00
2	Promoters and Promoter Group Shareholding								
	a) Pledged/Encumbered								
	Number of shares	20,451,976	20,451,976	10,225,988	20,451,976	20,451,976	20,451,976	10,225,988	20,451,976
	Percentage of shares (as a % of the total shareholding of promoter and Promoter group)	95.79	95.79	95.79	95.79	95.79	95.79	95.79	95.79
	Percentage of shares (as a % of the total share capital of the Company)	71.85	71.85	71.85	71.85	71.85	71.85	71.85	71.85
	b) Non-encumbered								
	Number of shares	897,872	897,872	448,936	897,872	897,872	897,872	448,936	897,872
	Percentage of shares (as a % of the total shareholding of promoter and Promoter group)	4.21	4.21	4.21	4.21	4.21	4.21	4.21	4.21
	Percentage of shares (as a % of the total share capital of the Company)	3.15	3.15	3.15	3.15	3.15	3.15	3.15	3.15
B	INVESTOR COMPLAINTS								
	Pending at the beginning of the quarter	0							
	Received during the quarter	49							
	Disposed of during the quarter	45							
	Remaining unresolved at the end of the quarter	4							

Notes:

- 1) The results for the quarter ended 30 June 2013 have been subjected to limited review by statutory auditors of the Company and have been reviewed by the audit committee and approved by the Board of Directors at its meeting held on 12 August 2013 and
 - 2) The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year up to 31 March 2013 and the unaudited published year-to-date figures up to December 31, 2012, being the date of the end of the third quarter of the financial year which were subjected to limited review.
 - 3) The Company operates in one business segment i.e., Business Communication Solutions and Integrators.
 - 4) The board of directors of AGC Networks Inc. on 08 July 2013 has approved the demerger of the Specialised Managed Services Division (Captive Division) of the Company. The Company has transferred the specialised resources of the said division along with identified assets and liabilities, to an affiliate company at carrying value of US\$ 1000 with effect from 01 April 2012. The Consolidated results for the year ended 31 March 2013 includes Revenue of ₹ 168 million and loss of ₹ 255 million towards the demerged division. Similarly, the Consolidated results for the quarter ended 30 June 2013 includes Revenue of ₹ 51 million and loss of ₹ 73 million towards the demerged division.
 - 5) Consolidated results includes ₹ 129 Million for the quarter ended 30 June 2013 on account of provision for doubtful debts of certain receivables. These have been provided as per the provisioning norms of the Company.
 - 6) The Company is in discussion to sell certain impaired but fully provided for trade receivables as at 30 June 2013. On sale, the sale proceeds will be written back to the statement of profit and loss.
 - 7) Standalone other operating expenses includes Exchange loss/(gain) of ₹ 107 million for the quarter ended 30 June 2013, ₹ 89 million for quarter ended 31 March 2013, ₹ 42 million for quarter ended 30 June 2012, and ₹ 25 million for year ended 31 March 2013. Consolidated other operating expenses include Exchange loss/(gain) of ₹ 107 million for quarter ended 30 June 2013, ₹ 89 million for quarter ended 31 March 2013, ₹ 42 million for quarter ended 30 June 2012 and ₹ 26 million for year ended 31 March 2013.
 - 8) The statement of consolidated unaudited results for quarter ended 30 June 2013 are prepared in accordance with the requirements of Accounting Standard 21 – Consolidated Financial Statements notified by the Companies (Accounting Standards) Rules, 2006 (as amended).
- The financial results of the following entities have been consolidated with the financial results of the Company:
- AGC Networks Pty Limited, Australia
AGC Networks Pte Limited, Singapore
AGC Networks, Inc., USA
- 9) Previous year figures have been re-grouped and reclassified, wherever necessary, to correspond to those of the current period.

Place: Mumbai
Date : 12 August 2013

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BY

S.R. BATLIBOI & ASSOCIATES LLP
MUMBAI

FOR AND ON BEHALF OF THE BOARD

S. K. JHA
MANAGING DIRECTOR & CEO

