

Dated : 20.10.2011

The Stock Exchange, Mumbai,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001
(Stock Code : 500463)
Fax : 022 – 2272 3121 / 2037 / 39 / 41 / 61 / 3719

AGC Networks Ltd.
Equinox Business park, Tower-1
(Peninsula Techno Park)
Off Bandra Kurla Complex
LBS Marg, Kurla West
Mumbai - 400070
India
T +91 22 6661 7272
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www.agcnetworks.com

Sub : Board meeting of AGC Networks Limited (the “Company”) held on October 20, 2011

Dear Sir,

This is to inform you that at the meeting of the Board of Directors of the Company held on October 20, 2011 in the Board Room, 2nd Floor, Tower A, Equinox Business Park (Peninsula Techno Park), Off Bandra Kurla Complex, LBS Marg, Kurla West, Mumbai - 400070, the following item has been taken note of / approved by the Board :

I. Unaudited Financial Results for the Quarter ended September 30, 2011 :

In terms of the Listing Agreement, please find enclosed herewith the un-audited financial results for the quarter ended September 30, 2011, duly approved by the Board of Directors at its meeting held today.

II. Taking note of acquisition of Aegis Tech Ltd., New Zealand by AGC Networks Singapore Pte Limited, Singapore :

The Board of Directors of the Company took note of the acquisition of Aegis Tech Ltd., New Zealand, by AGC Networks Singapore Pte Limited, Singapore (wholly owned subsidiary of the Company) at a consideration of AUD 2,390,000/-.

III. Approval of the remuneration / terms and conditions relating to the appointment of Mr. S. K. Jha, Managing Director and CEO of the Company:

The Board of Directors of the Company, at its meeting held on August 31, 2010, appointed Mr. S. K. Jha, as the Managing Director and CEO of the Company, for a period of 5 (five) years w.e.f. August 31, 2010 till August 30, 2015 under Section 269 of the Companies Act, 1956. Now, the Board of Directors of the Company, at its meeting held on October 20, 2011, approved the remuneration / terms and conditions relating to the appointment of Mr. S. K. Jha as the Managing Director & CEO of the Company (payable w.e.f. November 01, 2011 to August 30, 2015).



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You are requested to take the above on record and oblige.

Thanking You

Yours faithfully,
For AGC Networks Limited



Vishal Kohli
Company Secretary & Divisional Manager (Legal)

Encl : As above.

Cc : (1) National Stock Exchange of India Ltd.
"Exchange Plaza", Bandra-Kurla Complex,
Bandra (E), Mumbai – 400051
Fax : 022 – 26598237 / 38
(Symbol : AGCNET) (Series : EQ)

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/SIX MONTHS ENDED 30/09/2011.

Sr. No.	Particulars	Standalone					Consolidated				
		Quarter ended	Quarter ended	Six months ended	Six months ended	Six months ended &	Quarter ended	Quarter ended	Six months ended	Six months ended	Six months ended &
		(Unaudited) 30/09/2011	(Unaudited) 30/09/2010	(Unaudited) 30/09/2011	(Unaudited) 30/09/2010	(Unaudited) 30/09/2011	(Unaudited) 30/09/2011	(Unaudited) 30/09/2010	(Unaudited) 30/09/2011	(Unaudited) 30/09/2010	(Unaudited) 30/09/2011
1	Gross sales/Income from operations	14,875.48	12,012.50	31,467.08	24,183.27	30,727.00	25,720.90	12,998.73	45,330.86	26,429.46	32,545.99
2	Excise duty	92.39	(24.96)	176.34	43.03	166.72	92.39	(24.96)	176.34	43.03	166.72
3	Net sales/Income from operations (1-2)	14,783.09	12,037.46	31,290.74	24,140.24	30,560.28	25,628.51	13,023.69	45,154.52	26,386.43	32,379.27
4	Other Operating Income	319.50	113.73	365.25	138.92	66.60	319.50	112.86	365.25	142.53	66.60
5	Total Income (3+4)	15,102.59	12,151.19	31,655.99	24,279.16	30,626.88	25,948.01	13,136.55	45,519.77	26,528.96	32,445.87
6	Expenditure										
a)	(Increase)/Decrease in stock in trade	(299.39)	286.96	(242.93)	(235.64)	520.23	(356.35)	337.13	(268.49)	(215.43)	522.92
b)	Consumption of raw materials	739.52	187.66	1,418.79	1,087.05	895.14	739.52	187.66	1,418.79	1,087.05	895.14
c)	Purchase of traded goods	6,736.69	6,374.22	15,790.99	12,740.26	16,227.90	14,649.23	6,724.91	25,402.33	13,825.35	16,998.99
d)	Excise duty	2.64	63.34	6.43	61.88	70.01	2.64	63.34	6.43	61.88	70.01
e)	Employees cost	2,776.11	1,756.10	5,483.67	3,569.98	4,594.67	3,406.56	2,133.59	6,892.48	4,361.10	5,361.96
f)	Depreciation	199.09	176.61	385.42	355.65	366.52	288.58	183.99	527.76	370.09	379.69
g)	Other expenditure	3,929.42	2,245.78	7,592.25	4,753.07	6,225.78	4,409.20	2,384.22	8,442.53	5,026.56	6,465.31
	Total expenditure	14,084.08	11,090.67	30,434.62	22,332.25	28,900.25	23,139.38	12,014.84	42,421.83	24,516.60	30,694.02
7	Profit from Operations before Other income, Interest & Exceptional item (5-6)	1,018.51	1,060.52	1,221.37	1,946.91	1,726.63	2,808.63	1,121.71	3,097.94	2,012.36	1,751.85
8	Other Income (Interest)	47.00	145.69	94.30	307.78	217.41	57.81	151.97	119.21	320.49	238.41
9	Profit before Interest & Exceptional item (7+8)	1,065.51	1,206.21	1,315.67	2,254.69	1,944.04	2,866.44	1,273.68	3,217.15	2,332.85	1,990.26
10	Interest expense	76.91	12.21	108.61	53.21	62.02	170.65	12.47	210.94	54.50	63.62
11	Profit after Interest but before Exceptional item (9-10)	988.60	1,194.00	1,207.06	2,201.48	1,882.02	2,695.79	1,261.21	3,006.21	2,278.35	1,926.64
12	Exceptional item	101.37	0.00	101.37	(97.01)	-	202.04	0.00	202.04	(97.01)	-
13	Profit (+)/ Loss (-) from Ordinary Activities before tax (11-12)	887.23	1,194.00	1,105.69	2,298.49	1,882.02	2,493.75	1,261.21	2,804.17	2,375.36	1,926.64
14	Tax expense	277.91	410.27	351.67	788.83	599.70	588.12	410.27	668.40	788.83	599.70
15	Net Profit (+)/ Loss (-) from Ordinary Activities after tax (13-14)	609.32	783.73	754.02	1,509.66	1,282.32	1,905.63	850.94	2,135.77	1,586.53	1,326.94
16	Extraordinary items (net of tax expenses)	-	-	-	-	-	-	-	-	-	-
17	Net Profit (+)/ Loss (-) for the period (15-16)	609.32	783.73	754.02	1,509.66	1,282.32	1,905.63	850.94	2,135.77	1,586.53	1,326.94
18	Put-up equity share capital (face value of Rs. 10 each)	1,423.32	1,423.32	1,423.32	1,423.32	1,423.32	1,423.32	1,423.32	1,423.32	1,423.32	1,423.32
19	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	25,647.52	-	-	-	-	24,871.21
20	Basic and diluted EPS (Rs.) (not annualised)	4.28	5.51	5.30	10.61	9.01	13.39	5.98	15.01	11.15	9.32
21	Public shareholding : Number of shares Percentage of shareholding	3,558,308 25.00	2,970,597 20.87	3,558,308 25.00	2,970,597 20.87	2,970,597 20.87	3,558,308 25.00	2,970,597 20.87	3,558,308 25.00	2,970,597 20.87	2,970,597 20.87
22	Promoters and promoter group shareholding :										
a)	Pledged/Encumbered										
	Number of shares	10,075,988	2,840,622	10,075,988	2,840,622	10,122,635	10,075,988	2,840,622	10,075,988	2,840,622	10,122,635
	Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	94.39	25.22	94.39	25.22	89.88	94.39	25.22	94.39	25.22	89.88
	Percentage of shareholding (as a % of the total share capital of the company)	70.79	19.96	70.79	19.96	71.12	70.79	19.96	70.79	19.96	71.12
b)	Non-encumbered										
	Number of shares	598,936	8,422,013	598,936	8,422,013	1,140,000	598,936	8,422,013	598,936	8,422,013	1,140,000
	Percentage of shareholding (as a % of the total shareholding of promoter and promoter group)	5.61	74.78	5.61	74.78	10.12	5.61	74.78	5.61	74.78	10.12
	Percentage of shareholding (as a % of the total share capital of the company)	4.21	59.17	4.21	59.17	8.01	4.21	59.17	4.21	59.17	8.01

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Statement of Assets and Liabilities

Sr. No.	Particulars	Standalone (Unaudited)		Consolidated (Unaudited)	
		As at		As at	
		September 30, 2011	March 31, 2011	September 30, 2011	March 31, 2011
1	Shareholders' funds:				
	a) Capital	1,423.32	1,423.32	1,423.32	1,423.32
	b) Reserves and surplus	26,404.32	25,647.52	28,899.89	24,871.21
2	Total	27,827.64	27,070.84	30,323.21	26,294.53
3	Secured loans	1,029.45	-	1,029.45	-
4	Unsecured loans	1,397.23	-	1,397.23	-
5	Total	2,426.68	-	2,426.68	-
6	Deferred tax liabilities	-	-	293.57	-
	Total (2 + 5 + 6)	30,254.32	27,070.84	33,043.46	26,294.53
7	Fixed assets	2,607.84	2,188.42	4,325.14	2,212.15
8	Investments	9,500.00	9,500.00	8,050.00	8,050.00
9	Deferred tax assets	1,537.40	1,381.09	1,537.40	1,381.09
10	Current assets, loans and advances				
	a) Interest accrued on Investments	0.75	4.93	0.75	4.93
	b) Inventories	4,287.34	4,100.37	4,414.93	4,199.37
	c) Sundry debtors	21,255.06	19,736.66	36,973.31	20,621.06
	d) Cash and Bank balances	1,489.07	1,003.43	5,534.92	2,179.61
	e) Loans and advances	8,092.71	8,052.75	10,518.93	8,058.69
11	Less: Current liabilities and provisions				
	a) Liabilities	17,569.99	17,744.38	36,970.85	19,088.52
	b) Provisions	945.86	1,152.43	1,341.07	1,323.85
12	Net Current assets (10 - 11)	16,609.08	14,001.33	19,130.92	14,651.29
13	Total (7 + 8 + 9 + 12)	30,254.32	27,070.84	33,043.46	26,294.53

Notes :

- The results for the quarter/six months ended September 30, 2011 have been reviewed by the audit committee and approved by the Board of Directors at its meeting held on October 20, 2011 and have been subjected to limited review by statutory auditors of the Company.
- Segment Reporting**
The Company operates in one business segment i.e., Business Communication Solutions. Refer annexure 1 for geographical segment.
- The corresponding quarter numbers are not comparative to the current quarter, since the Company has acquired 100% stake in Aegis Tech Singapore Pte Limited w.e.f. May 1, 2011 and the current quarter/six months unaudited consolidated financial results includes the profit and loss account of acquired subsidiary consolidated for the five months period ended September 30, 2011. The revenues and profit before tax for the five months ended September 30, 2011 included in the unaudited consolidated financial results are Rs.11,990.18 lakhs and Rs.1,863.14 lakhs respectively.
- Exceptional item for the quarter/six months ended September 30, 2011 pertains to one time employees separation costs.
- Other operating income for the quarter ended September 30, 2011 includes Rs.319.50 lakhs and six months ended September 30, 2011 includes write back of provisions/liabilities aggregating to Rs.360.40 lakhs respectively, no longer required.
- There was no investor complaint pending at the beginning of the quarter. No complaint was received during the quarter and hence there is no complaint remaining to be resolved as at September 30, 2011.
- Comparative financial results include information relating to the quarter ended/six months September 30, 2010 that were un-reviewed and unaudited. The financial results for the year ended September 30, 2010 were been audited by another firm of Chartered Accountants and subsequent to that reporting period the management has changed their year-end to March 31.
- Previous year figures have been re-grouped and reclassified, wherever necessary, to correspond to those of the current period.

FOR AND ON BEHALF OF THE BOARD



Place : Mumbai
Date : October 20, 2011

S. K. JHA
MANAGING DIRECTOR & CEO

Annexure 1
Segment reporting

Particulars	Rs. in lakhs				
	Quarter ended (Unaudited) 30/09/2011	Quarter ended (Unaudited/Un- reviewed) 30/09/2010	Six months ended (Unaudited) 30/09/2011	Six months ended (Unaudited/Unreviewed) 30/09/2010	Six months ended & Year ended (Audited) 31/03/2011
1. Segment Revenue (Net sales)					
(a) Segment – India	14,783.09	12,037.46	31,290.74	24,140.24	30,560.28
(b) Segment – Other than India	10,995.06	986.23	14,180.84	2,246.19	1,818.99
(c) Unallocated	-	-	-	-	-
Total	25,778.15	13,023.69	45,471.58	26,386.43	32,379.27
Less: Inter Segment Revenue	149.64	-	317.06	-	-
Net sales/Income From Operations	25,628.51	13,023.69	45,154.52	26,386.43	32,379.27
2. Segment Results (Profit)(+)/ Loss (-) before tax and interest from Each segment)					
(a) Segment – India	964.14	1,206.21	1,214.30	2,351.70	1,944.04
(b) Segment – Other than India	1,700.26	67.47	1,800.81	78.16	46.22
(c) Unallocated	-	-	-	-	-
Total	2,664.40	1,273.68	3,015.11	2,429.86	1,990.26
Less: (i) Interest	170.65	12.47	210.94	54.50	63.62
(ii) Other Un-allocable Expenditure net off	-	-	-	-	-
(iii) Un-allocable income	-	-	-	-	-
Total Profit Before Tax	2,493.75	1,261.21	2,804.17	2,375.36	1,926.64
3. Capital Employed (Segment assets – Segment Liabilities)					
(a) Segment – India	25,921.64	24,713.99	25,921.64	24,713.99	25,620.84
(b) Segment – Other than India	4,401.57	590.92	4,401.57	590.92	673.69
(c) Unallocated	-	-	-	-	-
Total	30,323.21	25,304.91	30,323.21	25,304.91	26,294.53

Notes:

(a) Segment Revenue, Segment Results, Segment assets and Segment liabilities shall have the same meaning as defined in the Accounting Standards on Segment Reporting (AS-17) issued by ICAI/ Company (Accounting Standards) Rules, 2006.

(b) The above information shall be furnished for each of the reportable primary segments as identified in accordance with AS-17, issued by ICAI/ Company (Accounting Standards) Rules, 2006.

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