
Walker Chandiook & Co LLP

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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of AGC Networks Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of **AGC Networks Limited** ('the Company') for the quarter ended **31 December 2020** and the year to date financial results for the period 01 April 2020 to 31 December 2020, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

AGC Networks Limited

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

5. We draw your attention to Note 5 to the accompanying Statement, which describes the impact of COVID-19 pandemic on the Company's operations and on accompanying Statement as at the reporting date. In view of the uncertainties in the economic environment due to the outbreak of COVID-19 pandemic, the impact on the operations of the Company is significantly dependent on the future developments as they evolve. Our conclusion is not modified in respect of this matter.

For **Walker Chandiok & Co LLP**

Chartered Accountants

Firm Registration No:001076N / N500013

Bharat Shetty

Partner

Membership No:106815

UDIN:21106815AAAAAO1436

Place: Mumbai

Date: 11 February 2021

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of AGC Networks Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of **AGC Networks Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended **31 December 2020** and the consolidated year to date financial results for the period 01 April 2020 to 31 December 2020, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR / CFD / CMD1 / 44 / 2019 dated 29 March 2019 issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

AGC Networks Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

4. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to Note 10 to the accompanying Statement, which describes the impact of COVID-19 pandemic on the Group's operations and on accompanying Statement as at the reporting date. In view of the uncertainties in the economic environment due to the outbreak of COVID-19 pandemic, the impact on the operations of the Group is significantly dependent on the future developments as they evolve. Our conclusion is not modified in respect of this matter.
6. We did not review the interim consolidated financial results of one subsidiary included in the Statement, whose financial information (before eliminating inter-company transactions) reflects total revenues of Rs. 1,159.71 Crores and Rs. 3,141.52 Crores, total net profit after tax of Rs. 47.11 Crores and Rs. 95.32 Crores and Total Comprehensive Income of Rs. 65.13 Crores and Rs. 112.53 Crores, for the quarter and nine-month period ended on 31 December 2020, respectively. These interim consolidated financial results have been reviewed by other auditors whose review report has been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on the review report of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Further, this subsidiary is located outside India, whose interim consolidated financial results have been prepared in accordance with accounting principles generally accepted in their respective country and which have been reviewed by other auditors under International Standard on Review Engagements (ISRE) applicable in their respective country. The Holding Company's management has converted the consolidated financial results of this subsidiary from accounting principles generally accepted in their respective country to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the balances, affairs and operations of this subsidiary is based on the review report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

For **Walker Chandniok & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013

Bharat Shetty
Partner
Membership No:106815

UDIN:21106815AAAAAP4067

Place: Mumbai
Date: 11 February 2021

AGC Networks Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Annexure 1

List of entities included in the Statement

- a. AGC Networks Australia Pty Ltd
- b. AGC Networks Pte. Ltd.
- c. AGC Networks Philippines, Inc.
- d. AGC Networks & Cyber Solutions Limited
- e. AGCN Solutions Pte. Limited
- f. AGC Networks LLC, Dubai
- g. AGC Networks LLC, Abu Dhabi
- h. AGC Networks New Zealand Limited (up to 30 October 2020)
- i. BBX Main Inc.
- j. BBX Inc. and its subsidiaries (consolidated)

AGC NETWORKS LIMITED

Registered Office :- Equinox Business Park (Peninsula Techno Park), Off Bandra Kurla Complex,
LBS Marg, Kurla (West), Mumbai - 400070.

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE
QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2020**

(Rs. in Crores, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		Unaudited			Unaudited		Audited
		31/12/2020	30/09/2020	31/12/2019	31/12/2020	31/12/2019	31/03/2020
1	Income						
	(a) Revenue from operations	1,241.07	1,217.89	1,257.55	3,452.82	3,744.55	4,993.92
	(b) Other income	0.73	7.07	1.05	8.74	30.67	33.03
	Total income	1,241.80	1,224.96	1,258.60	3,461.56	3,775.22	5,026.95
2	Expenses						
	(a) Cost of materials and components consumed	1.03	1.47	2.69	4.13	7.57	8.93
	(b) Purchase of stock-in-trade	378.45	426.46	370.08	1,132.58	1,132.53	1,485.39
	(c) Changes in inventories of work-in-progress, stock-in-trade and finished goods	9.81	3.00	3.95	1.74	6.81	11.40
	(d) Service charges	178.88	148.26	205.85	459.28	648.02	861.86
	(e) Employee benefits expense (net)	489.83	445.27	509.50	1,335.09	1,415.44	1,894.51
	(f) Finance costs	20.65	28.87	32.98	70.14	99.70	129.38
	(g) Depreciation and amortisation expense	21.49	26.62	24.51	73.12	76.42	98.96
	(h) Other expenses	86.95	89.24	58.56	261.78	267.12	363.37
	Total expenses	1,187.09	1,169.19	1,208.12	3,337.86	3,653.61	4,853.80
3	Profit before exceptional items and tax (1-2)	54.71	55.77	50.48	123.70	121.61	173.15
4	Exceptional items - expenses (refer note 3)	3.18	12.84	94.40	21.87	112.16	125.05
5	Profit / (loss) before tax (3-4)	51.53	42.93	(43.92)	101.83	9.45	48.10
6	Tax expense / (credit)						
	- Current tax	5.63	1.46	5.24	10.29	9.55	(2.59)
	- Deferred tax	(0.34)	0.04	-	(0.46)	-	9.57
7	Net profit / (loss) for the period / year (5-6)	46.24	41.43	(49.16)	92.00	(0.10)	41.12
8	Other Comprehensive Income / (Loss)	16.26	9.03	6.54	38.48	(0.28)	(99.48)
9	Total Comprehensive Income / (Loss) for the period / year (7+8)	62.50	50.46	(42.62)	130.48	(0.38)	(58.36)
10	Paid-up equity share capital (face value of Rs.10 each)	29.82	29.82	29.74	29.82	29.74	29.75
11	Other equity						(77.57)
12	Earnings per share of Rs.10 each before exceptional items :						
	Basic (in Rs.)	16.59*	18.23*	15.21*	38.22*	37.68*	55.88
	Diluted (in Rs.)	16.33*	17.96*	15.09*	37.67*	37.41*	55.27
	Earnings / (loss) per share of Rs.10 each after exceptional items :						
	Basic (in Rs.)	15.52*	13.92*	(16.53)*	30.88*	(0.03)*	13.83
	Diluted (in Rs.)	15.28*	13.71*	(16.53)*#	30.44*	(0.03)*#	13.68

* Not annualised

Note

Tax impact on exceptional items has not been considered for the purpose of reporting earnings / (loss) per share.

The effect of 626,262 potential equity shares outstanding as at 31 December 2019 is anti-dilutive and thus these shares are not considered in determining diluted earnings / (loss) per share.

Notes:

- These consolidated financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- The consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11 February 2021. The auditors have carried out a limited review of these unaudited consolidated financial results.
- Exceptional items:**

Particulars	Quarter ended			Nine months ended		Year ended
	Unaudited			Unaudited		Audited
	31/12/2020	30/09/2020	31/12/2019	31/12/2020	31/12/2019	31/03/2020
Other intangible assets written off [refer note (a)]	-	-	-	-	5.05	5.05
Provision / (reversal) of severance expenses [refer note (b)]	0.37	7.68	0.87	9.92	(2.72)	1.09
Acquisition cost [refer note (c)]	0.28	2.78	-	3.06	1.68	1.77
Foreclosure of leases [refer note (d)]	2.53	2.29	0.95	7.89	4.37	8.53
Reversal for policy change in employee vacation [refer note (e)]	-	-	(22.01)	-	(13.20)	-
Inventory written off [refer note (f)]	-	-	2.66	-	3.19	6.51
Bad debt adjustment [refer note (g)]	-	-	1.92	-	3.78	-
Securitisation costs [refer note (h)]	-	-	107.85	-	107.85	99.94
Non-routine consulting and IT costs [refer note (i)]	-	-	2.16	-	2.16	2.16
COVID-19 expenses [refer note (j)]	-	0.09	-	1.00	-	-
	3.18	12.84	94.40	21.87	112.16	125.05

- (a) Represents other intangible assets written off related to BBX Inc.
(b) Represents net severance cost of BBX Inc. towards rationalisation of manpower to enhance operational efficiencies.
(c) Represents acquisition related cost of BBX Inc. which includes valuation fees, advisory fees, legal and professional fees and consulting fees.
(d) Represents early closure of leases related to BBX Inc.
(e) Represents reversal for policy change in employee vacation related to BBX Inc.
(f) Represents inventory written off related to BBX Inc.
(g) Represents bad debt adjustment related to BBX Inc.
(h) Represents incidental charges incurred for securitising trade receivables related to BBX Inc.
(i) Represents non-routine consulting and IT costs related to BBX Inc.
(j) Represents expenses incurred on COVID-19 safety measures which includes purchase of masks, gloves, sterilisation equipment and other safety products for employees of BBX Inc.

- The statement of consolidated financial results is prepared in accordance with the requirements of Ind AS 110 – 'Consolidated Financial Statements' specified under section 133 of the Act.
- The paid-up equity share capital stands increased to Rs. 29.82 Crores (29,820,103 equity shares of Rs.10 each) upon allotment of 5,000, 35,227 and 35,227 equity shares of Rs.10 each pursuant to ESOP Scheme 2015 during the quarter ended 31 December 2020, 30 September 2020 and 30 June 2020, respectively.
- AGC Networks Pte. Limited ("AGC Singapore"), subsidiary of AGC Networks Limited ("Holding Company") had contributed its 35% interest in COPC Holdings Inc. ("COPC"), step-down subsidiary of the Holding Company to AGC Networks Inc. ("AGC USA"), step-down subsidiary of the Holding Company. As a result of which, COPC became a wholly-owned subsidiary of AGC USA, effective on 31 March 2020 as of 11:59:59 p.m. Subsequently, AGC USA was converted into Limited Liability Company pursuant to the Limited Liability Company Act of State of Delaware and name of the company was changed to AGC Networks LLC effective on 31 March 2020 as of 11:59:59 p.m.
- A stock purchase agreement was executed between AGC Singapore, Norstan Communication Inc. ("Norstan"), step-down subsidiary of the Holding Company and Black Box Corporation, step-down subsidiary of the Holding Company, where-in AGC Singapore had sold 100% holding of AGC USA to Norstan effective on 31 March 2020 as of 11:59:59 p.m. On 1 April 2020, AGC USA transferred its ownership interest in COPC to Norstan, and Norstan transferred its ownership interest in COPC to Black Box Corporation. As a result of which, AGC USA and COPC become step-down subsidiaries of Black Box Corporation.
- As on 1 April 2020, the Holding Company had not appointed at least one independent woman director on the board. The Holding Company had appointed independent woman director in the board meeting held on 10 September 2020.
- The outstanding balance of trade payables as at 31 December 2020 includes amount payable aggregating to Rs. 2 Crores to the companies situated outside India. These balances are pending for settlement and there is delay in remittance beyond the timeline stipulated under the Foreign Exchange Management Act, 1999. The Holding Company has filed the necessary applications with the appropriate authority for extension of time period / condonation of such delays. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable and accordingly, the accompanying consolidated financial results do not include any adjustments that may arise due to such delay / default. In case of all the above-mentioned payables, approval is pending from AD Category - I bank ("AD Bank") as at 11 February 2021.
- The spread of COVID-19, a pandemic caused by the novel Coronavirus, is having an unprecedented impact on global economy and way of doing business. Majority of the countries across the world had announced a series of lock-down measures starting in January 2020 which have been extended from time to time. With the change in global circumstances, governments have issued directives which indicate calibrated and gradual or complete withdrawal of lockdown and partial or complete resumption of economic activities depending on the severity of the disruption caused in respective countries. However, the extent to which the COVID-19 pandemic will impact the consolidated financial results will depend on future developments, which are highly uncertain, including among other things, any new information concerning the severity of the COVID-19 pandemic and action to contain its spread or mitigate its impact. The Group has considered the possible effects on financial performance that may result from the pandemic relating to COVID-19 on the carrying amounts of trade receivables, inventories, tangible assets, intangible assets, investments and other financial assets and continues to monitor changes in economic conditions. In developing the assumptions relating to the possible future uncertainties in economic conditions because of this pandemic, the Group, as at the date of approval of these consolidated financial results, has used internal and external sources of information and based on current estimates, expects that the carrying amount of these assets will be recovered. The eventual outcome of the impact of the pandemic may be different from those estimated as on the date of approval of these consolidated financial results.

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- 11) On 31 May 2020, Black Box Holdings Limited, step-down subsidiary of the Holding Company, had entered into a share purchase agreement to acquire 100% holding of Fujisoft Technology LLC (Dubai), Fujisoft Security Solutions LLC (Dubai) and Fuji Soft Technology LLC (Abu Dhabi) for a total consideration of AED 9,866,353. This acquisition was completed on 31 August 2020 with the effective date being 1 July 2020.
- 12) On 10 June 2020, Black Box Networks Services Australia Pty Ltd, step-down subsidiary of the Holding Company, had entered into a share purchase agreement with Agile Group Limited ("seller") to acquire 100% holding in Pyrios Pty Limited, Australia for a total consideration of USD 800,000. This acquisition was completed on 13 August 2020 with the effective date being 1 July 2020.
- 13) On 10 June 2020, Black Box Networks Services New Zealand Ltd, step-down subsidiary of the Holding Company, had entered into a share purchase agreement with Agile Group Limited ("seller") to acquire 100% holding in Pyrios Limited, New Zealand for a total purchase consideration of USD 1,950,000 with USD 700,000 of the consideration payable on the completion of acquisition and the balance as deferred consideration. Out of the deferred consideration, USD 750,000 is payable after 6 months and USD 500,000 after 18 months from the completion of acquisition. This acquisition was completed on 13 August 2020 with the effective date being 1 July 2020.
- 14) Black Box Network Services Singapore Pte Limited, step-down subsidiary of the Holding Company, had entered into an Asset Purchase Agreement on 18 September 2020 to acquire certain assets of Mobiquist Solutions Pte Limited for a purchase consideration of USD 400,000. The acquisition was effective from 1 October 2020.
- 15) AGC Networks New Zealand Limited, step-down subsidiary of the Holding Company, incorporated on 1 November 2018 under the New Zealand Companies Act, 1993 stands dissolved w.e.f. 30 October 2020.
- 16) The Holding Company had filed claim before National Company Law Tribunal ('NCLT') Mumbai, by way of reply to Monitoring Agency representing EPC Constructions India Limited ('EPCCIL') for recovery of Rs. 6.51 Crores (excluding taxes) along with interest of Rs. 1.49 Crores towards IT Infrastructure and IT services provided during the Corporate Insolvency Resolution Process ('CIRP') period of EPCCIL. Out of the aforementioned amount, Rs. 1 Crore (excluding taxes) had been received by the Holding Company on 19 September 2020 pursuant to the order of the National Company Law Appellate Tribunal ('NCLAT') dated 30 July 2020 in Company Appeal (AT) (Insolvency) No. 660 of 2020. Proceedings i.e. IA 1013/2020 in CP No. 1832/2017 are pending and subjudice before NCLT Mumbai, for recovery of balance amount of Rs. 5.51 Crores (excluding taxes) plus interest of Rs. 1.49 Crores from Monitoring Agency representing EPCCIL.
- 17) Pursuant to shareholders' approval obtained in the Extraordinary General Meeting held on 11 December 2020, the Holding Company has allotted on preferential basis, 3,333,334 convertible warrants of Rs. 10 each at a premium of Rs. 665 per warrant to Essar Telecom Limited and Onir Metalics Limited on 8 January 2021. The Holding Company has received initial subscription money of Rs. 73.38 Crores on allotment. Each warrant is convertible into 1 equity share of the Holding Company of Rs. 10 each within 18 months from the date of allotment subject to payment of balance subscription amount.
- 18) The Holding Company has invested Rs. 73 Crores in AGC Singapore through Overseas Direct Investment route in February 2021.
- 19) Previous period / year figures have been re-grouped and reclassified, wherever necessary, to conform to those of the current period.

FOR AND ON BEHALF OF THE BOARD

SANJEEV
SHEKHAR
VERMA

Digitally signed by Sanjeev Verma, DN: cn=Sanjeev Verma, o=Black Box Networks Services India Private Limited, email=Sanjeev.Verma@blackboxnetworks.com, c=IN

Place: Dallas, Texas, The United States of America
Date : 11 February 2021
CIN : L32200MH1986PLC040652

SANJEEV VERMA
WHOLE-TIME DIRECTOR
DIN: 06871685

AGC NETWORKS LIMITED

Registered Office :- Equinox Business Park (Peninsula Techno Park), Off Bandra Kurla Complex,
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STATEMENT OF UNAUDITED CONSOLIDATED SEGMENT INFORMATION FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2020

Segment information

(Rs. in Crores)

Particulars	Quarter ended			Nine months ended		Year ended
	Unaudited			Unaudited		Audited
	31/12/2020	30/09/2020	31/12/2019	31/12/2020	31/12/2019	31/03/2020
Segment revenue						
System integration	1,022.75	1,019.78	1,013.66	2,866.03	3,029.82	4,067.06
Technology product solutions	197.83	186.12	211.94	543.61	629.80	820.81
Others	20.49	11.99	31.95	43.18	84.93	106.05
Revenue from operations	1,241.07	1,217.89	1,257.55	3,452.82	3,744.55	4,993.92
Segment results						
System integration	72.70	55.90	52.85	165.23	124.48	172.84
Technology product solutions	(1.70)	22.19	20.60	19.11	48.14	77.41
Others	3.63	(0.52)	8.96	0.76	18.02	19.25
Total of segment results	74.63	77.57	82.41	185.10	190.64	269.50
Other income	0.73	7.07	1.05	8.74	30.67	33.03
Finance costs	20.65	28.87	32.98	70.14	99.70	129.38
Profit before exceptional items and tax	54.71	55.77	50.48	123.70	121.61	173.15
Exceptional items - expenses (refer note 3)	3.18	12.84	94.40	21.87	112.16	125.05
Profit / (loss) before tax	51.53	42.93	(43.92)	101.83	9.45	48.10
Tax expense	5.29	1.50	5.24	9.83	9.55	6.98
Net profit / (loss) for the period / year	46.24	41.43	(49.16)	92.00	(0.10)	41.12
Depreciation and amortisation expense	21.49	26.62	24.51	73.12	76.42	98.96

Notes on segment information :

- 1 The Board considers a business activity focused reporting format to be more meaningful from a management forecasting perspective.
- 2 Assets and liabilities used in the Group's business are not identifiable to any of the reportable segments, as these are used interchangeably between segments. The management believes that it is currently not practicable to provide segment disclosures relating to total assets and liabilities since a meaningful segregation of the available data is onerous.

AGC NETWORKS LIMITED

Registered Office :- Equinox Business Park (Peninsula Techno Park), Off Bandra Kurla Complex,
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STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER 2020

(Rs. in Crores, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		Unaudited			Unaudited		Audited
		31/12/2020	30/09/2020	31/12/2019	31/12/2020	31/12/2019	31/03/2020
1	Income						
	(a) Revenue from operations	61.61	56.01	61.90	175.29	222.73	309.35
	(b) Other income	0.44	2.48	1.18	4.03	4.02	6.26
	Total income	62.05	58.49	63.08	179.32	226.75	315.61
2	Expenses						
	(a) Purchase of stock-in-trade	20.21	9.91	23.58	48.76	98.79	114.73
	(b) Changes in inventories of work-in-progress and stock-in-trade	(2.98)	(1.01)	(4.47)	(3.00)	(6.54)	5.52
	(c) Service charges	26.67	25.85	26.75	76.05	75.98	103.92
	(d) Employee benefits expense (net)	7.12	7.59	7.52	23.31	27.13	36.43
	(e) Finance costs	4.08	4.77	4.84	13.13	13.98	18.50
	(f) Depreciation and amortisation expense	0.96	1.69	1.91	4.45	5.62	7.46
	(g) Other expenses	5.74	9.80	6.97	22.75	25.27	30.68
	Total expenses	61.80	58.60	67.10	185.45	240.23	317.24
3	Profit / (loss) before tax (1-2)	0.25	(0.11)	(4.02)	(6.13)	(13.48)	(1.63)
4	Tax expense	-	-	-	-	-	-
5	Net profit / (loss) for the period / year (3-4)	0.25	(0.11)	(4.02)	(6.13)	(13.48)	(1.63)
6	Other Comprehensive (Loss) / Income	(0.24)	0.38	(0.16)	0.01	(0.51)	(0.51)
7	Total Comprehensive Income / (Loss) for the period / year (5+6)	0.01	0.27	(4.18)	(6.12)	(13.99)	(2.14)
8	Paid-up equity share capital (face value of Rs.10 each)	29.82	29.82	29.74	29.82	29.74	29.75
9	Other equity						59.20
10	Earnings / (loss) per share of Rs.10 each :						
	Basic (in Rs.)	0.08*	(0.04)*	(1.35)*	(2.06)*	(4.53)*	(0.55)
	Diluted (in Rs.)	0.08*	(0.04)*#	(1.35)*#	(2.06)*#	(4.53)*#	(0.55)#

* Not annualised

The effect of 534,781, 476,781, 619,262 and 626,262 potential equity shares outstanding as at 31 December 2020, 30 September 2020, 31 March 2020 and 31 December 2019, respectively, is anti-dilutive and thus these shares are not considered in determining diluted earnings / (loss) per share.

Notes:

- 1) These standalone financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules thereafter and in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- 2) The standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 11 February 2021. The auditors have carried out a limited review of these unaudited standalone financial results.
- 3) As on 1 April 2020, the Company had not appointed at least one independent woman director on the board. Company had appointed independent woman director in the board meeting held on 10 September 2020.
- 4) The outstanding balance of trade payables as at 31 December 2020 includes amount payable aggregating to Rs. 2 Crores to the companies situated outside India. These balances are pending for settlement and there is delay in remittance beyond the timeline stipulated under the Foreign Exchange Management Act, 1999. The Company has filed the necessary applications with the appropriate authority for extension of time period / condonation of such delays. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable and accordingly, the accompanying standalone financial results do not include any adjustments that may arise due to such delay / default. In case of all the above-mentioned payables, approval is pending from AD Category - I bank ("AD Bank") as at 11 February 2021.
- 5) The spread of COVID-19, a pandemic caused by the novel Coronavirus, is having an unprecedented impact on global economy and way of doing business. The Government of India had announced a series of lock-down measures on 24 March 2020 which has been extended from time to time. The recent directions from the Government indicates calibrated and gradual withdrawal of lockdown and partial resumption of economic activities. However, the extent to which the COVID-19 pandemic will impact the standalone financial results will depend on future developments, which are highly uncertain, including among other things, any new information concerning the severity of the COVID-19 pandemic and action to contain its spread or mitigate its impact. The Company has considered the possible effects on financial performance that may result from the pandemic relating to COVID-19 on the carrying amounts of trade receivables, inventories, tangible assets, intangible assets, investments and other financial assets and continues to monitor changes in economic conditions. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company, as at the date of approval of these standalone financial results, has used internal and external sources of information and based on current estimates, expects that the carrying amount of these assets will be recovered. The eventual outcome of the impact of the pandemic may be different from those estimated as on the date of approval of these standalone financial results.
- 6) The Company had filed claim before National Company Law Tribunal ("NCLT") Mumbai, by way of reply to Monitoring Agency representing EPC Constructions India Limited ("EPCCIL") for recovery of Rs. 6.51 Crores (excluding taxes) along with interest of Rs. 1.49 Crores towards IT infrastructure and IT services provided during the Corporate Insolvency Resolution Process ("CIRP") period of EPCCIL. Out of the aforementioned amount, Rs. 1 Crore (excluding taxes) had been received by the Company on 19 September 2020 pursuant to the order of the National Company Law Appellate Tribunal ("NCLAT") dated 30 July 2020 in Company Appeal (AT) (Insolvency) No. 660 of 2020. Proceedings i.e. IA 1013/2020 in CP No. 1832/2017 are pending and subjudice before NCLT Mumbai, for recovery of balance amount of Rs. 5.51 Crores (excluding taxes) plus interest of Rs. 1.49 Crores from Monitoring Agency representing EPCCIL.
- 7) The paid-up equity share capital stands increased to Rs. 29.82 Crores (29,820,103 equity shares of Rs.10 each) upon allotment of 5,000, 35,227 and 35,227 equity shares of Rs.10 each pursuant to ESOP Scheme 2015 during the quarter ended 31 December 2020, 30 September 2020 and 30 June 2020, respectively.
- 8) Pursuant to shareholders' approval obtained in the Extraordinary General Meeting held on 11 December 2020, the Company has allotted on preferential basis, 3,333,334 convertible warrants of Rs. 10 each at a premium of Rs. 665 per warrant to Essar Telecom Limited and Onir Metallics Limited on 8 January 2021. The Company has received initial subscription money of Rs. 73.38 Crores on allotment. Each warrant is convertible into 1 equity share of the Company of Rs. 10 each within 18 months from the date of allotment subject to payment of balance subscription amount.
- 9) The Company has invested Rs. 73 Crores in AGC Networks Pte. Limited, Singapore through Overseas Direct Investment route in February 2021.
- 10) Previous period / year figures have been re-grouped and reclassified, wherever necessary, to conform to those of the current period.

FOR AND ON BEHALF OF THE BOARD

**SANJEEV
SHEKHA
R VERMA**

Digitally signed by SANJEEV
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Place: Dallas, Texas, The United States of America
Date : 11 February 2021
CIN : L32200MH1986PLC040652

SANJEEV VERMA
WHOLE-TIME DIRECTOR
DIN: 06871685