



Accelerating Business

AGC Networks Limited
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AGC/SD/SE/2021/103

August 14, 2021

To,

Corporate Relationship Department Bombay Stock Exchange Limited P.J. Tower, Dalal Street, Fort, Mumbai 400001	Corporate Relationship Department The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai 400051
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Sub: Outcome of the Board Meeting held on 14.08.2021

Ref: AGC Networks Limited—Script Code: 5000463 NSE Symbol: AGCNET

Dear Sir/Madam,

With reference to our letter no. AGC/SD/SE/2021/102 dated August 13, 2021, regarding the meeting of the Board of Directors ("the Board") of AGC Networks Limited ("the Company") scheduled on August 14, 2021, we wish to inform you that the Board of Directors of the Company, at its meeting held today i.e. on August 14, 2021 has, inter-alia, decided on following business items among others:

1. Considered and Approved the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter/period ended June 30, 2021. Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations"), we are enclosing herewith the following:
 - a) Unaudited Standalone and Consolidated Financial Results of the Company, for the quarter/period ended June 30, 2021; and
 - b) Limited Review Report on the Unaudited Standalone and Consolidated Financial Results of the Company, for the quarter/period ended June 30, 2021.
2. Allotted 5,000 Equity Shares to eligible employees on exercise of ESOP options granted earlier pursuant to Employee Stock Option Scheme of the Company.
3. Considered and approved raising of funds by way of one or more public and / or private and/or right offer, through equity/ equity linked instruments including on Preferential allotment basis, Qualified Institutions Placement ("QIP"), Global Depository Receipts ("GDRs"), American Depository Receipts ("ADRs"), Foreign Currency Convertible Bonds ("FCCBs") fully convertible debentures/partly convertible debentures, preference shares convertible into Equity Shares, and/or any other financial instruments convertible into Equity Shares (including warrants, or otherwise, in registered or bearer form) and/or any security convertible into Equity Shares with or without voting/special rights and/or securities linked to Equity Shares and/or securities with or without detachable warrants with right exercisable by the warrant holders to convert or subscribe to Equity Shares etc. or any combination thereof to Qualified Institutional Buyers ("QIBs") as defined under the SEBI ICDR Regulations in accordance with Chapter VIII of the SEBI ICDR Regulations, or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investors, qualified foreign investors, Indian and/or multilateral financial institutions, mutual funds,



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insurance companies, non-resident Indians, stabilizing agents, pension funds and/or any other categories of investors up to an amount not exceeding Rs. 500 Crores in pursuance of the provisions the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in such manner and on such price, terms and conditions in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 or other applicable provisions of the Law.

Further, pursuant to SEBI (Shares Based Employees Benefit) Regulations 2014, please find attached herewith the statement under Regulation 10(c) of the said Regulations.

The Board Meeting commenced at 9:00 PM and concluded at 10.40 PM.

This is for your information, record and necessary dissemination to all the stakeholders.

Thanking you.

Yours Faithfully,
For **AGC Networks Limited**

Aditya Goswami
Company Secretary & Compliance Officer
Encl.: A./a



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Notification for issue of shares as per the format prescribed under Regulation 10(c) of SEBI (Share Based Employees Benefit) Regulations 2014

Sr. No.	Particulars	Details
1.	Company Name and Address of Registered Office:	AGC Networks Limited Essar House, 11 Keshavrao Khadye Marg, Opp. Race Course, Mahalaxmi, Mumbai 400 034
2.	Name of Stock Exchange where Company's Shares are Listed:	BSE Limited and The National Stock Exchange of India Limited
3.	Filing Date of statement referred in regulation 10(b) of the SEBI (Share Based Employee Benefits) Regulations, 2014 with Stock Exchange:	May 23, 2018
4.	Filing Number, if any:	-
5.	Title of the Scheme pursuant to which shares are issued, if any	AGC Networks Employee Stock Option Scheme 2015 ("ESOP 2015")
6.	Kind of security to be listed	Equity shares
7.	Par Value of shares:	Face value of Rs. 10/- per equity share
8.	Date of issue of shares:	August 14, 2021
9.	Number of shares issued:	5,000 equity shares
10.	Share Certificate Number, if applicable:	Not Applicable as shares are in dematerialized format.
11.	Distinctive Numbers, if applicable:	32531026 to 32536025
12.	ISIN Number of the shares, if issued in Demat:	INE676A01019
13.	Exercise price per share:	5000 equity shares @ exercise price of Rs. 80/- per share;
14.	Premium per share:	Rs. 70/- per equity share
15.	Total Issued shares after this issue:	3,25,33,830 equity shares
16.	Total Issued share capital after this issue:	Rs. 32,53,38,300/- divided into 3,25,33,830 Equity Shares of Rs. 10/- each
17.	Details of any lock-in on the shares :	Nil
18.	Date of expiry of lock-in :	Not Applicable
19.	Whether shares identical in all respects to existing shares? (If No, when will they become identical?)	Yes
20.	Details of listing fees, if payable :	Not Applicable

For **AGC Networks Limited**

Aditya Goswami
Company Secretary & Compliance Officer
Membership No.: A27365
Date: August 14, 2021

Walker ChandioK & Co LLP

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Independent Auditor's Review Report on Standalone Unaudited Quarterly 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 **30 June 2021**, 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 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 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.
6. We draw attention to Note 4 to the accompanying Statement, which describes the delay in remittance of import payments and repatriation of proceeds of export of goods and services, aggregating to Rs. 5.71 Crores and Rs. 8.27 Crores, respectively, outstanding as at 30 June 2021 beyond the timelines stipulated under the Foreign Exchange Management Act, 1999 as amended from time to time. The management has filed necessary applications with the appropriate authority for extension of time period and condonation of such delays. The management is of the view that the fine / penalty, if any, that may be levied, are currently unascertainable but not expected to be material and accordingly, no adjustments have been made to the accompanying Statement in respect of the fine / penalty that may be levied on account of such delays.

Our conclusion is not modified in respect of matters reported in paragraphs 5 and 6 above.

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



Bharat Shetty
Partner
Membership No:106815

UDIN:21106815AAAACV4593

Place: Mumbai
Date: 14 August 2021

AGC NETWORKS LIMITED

Registered Office :- Essar House, 11 Keshavrao Khadye Marg, Opp. Race Course,
Mahalaxmi, Mumbai – 400034

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2021

(Rs. in Crores, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Year ended
		Unaudited			Audited
		30/06/2021	31/03/2021 (Refer note 2)	30/06/2020	31/03/2021
1	Income				
	(a) Revenue from operations	84.14	74.25	57.67	249.54
	(b) Other income	4.81	4.44	1.11	8.47
	(c) Gain on foreign currency transactions and translations (net)	0.34	-	-	-
	Total income	89.29	78.69	58.78	258.01
2	Expenses				
	(a) Purchase of stock-in-trade	36.52	22.43	18.64	71.19
	(b) Changes in inventories of work-in-progress and stock-in-trade	1.92	1.03	0.99	(1.97)
	(c) Service charges	22.49	28.52	23.53	104.57
	(d) Employee benefits expense (net)	8.73	8.90	8.60	32.21
	(e) Finance costs	1.19	3.80	4.28	17.01
	(f) Depreciation and amortisation expense	0.79	0.94	1.80	5.39
	(g) Other expenses	5.01	8.80	7.21	31.47
	Total expenses	76.65	74.42	65.05	259.87
3	Profit / (loss) before tax (1-2)	12.64	4.27	(6.27)	(1.86)
4	Tax expense	-	-	-	-
5	Net profit / (loss) for the period / year (3-4)	12.64	4.27	(6.27)	(1.86)
6	Other Comprehensive Income / (Loss)	0.18	0.31	(0.13)	0.32
7	Total Comprehensive Income / (Loss) for the period / year (5+6)	12.82	4.58	(6.40)	(1.54)
8	Paid-up equity share capital (face value of Rs.10 each)	32.53	32.53	29.78	32.53
9	Other equity				244.11
10	Earnings / (loss) per share of Rs.10 each :				
	Basic (in Rs.)	3.89*	1.42*	(2.11)*	(0.62)
	Diluted (in Rs.)	3.80*	1.40*	(2.11)*#	(0.62)#

* Not annualised

The effect of 424,705 and 581,641 potential equity shares outstanding as at 31 March 2021 and 30 June 2020, respectively, is anti-dilutive and thus these shares are not considered in determining diluted earnings / (loss) per share.



Notes:

- 1) These interim standalone financial results (the 'Statement') 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) Figures for the quarter ended 31 March 2021 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2021 and the unaudited published year to date figures up to 31 December 2020, which were subjected to a limited review by the statutory auditors.
- 3) The Statement has been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14 August 2021. The statutory auditors have carried out a limited review of this Statement.
- 4) The outstanding balance of trade payables, trade receivables and other financial assets as at 30 June 2021 includes amount payable aggregating to Rs. 5.71 Crores and amount receivable aggregating to Rs. 2.21 Crores and Rs. 6.06 Crores, respectively, to / from the companies situated outside India. These balances are pending for settlement and have resulted in delay in remittance / collection beyond the timeline stipulated under the Foreign Exchange Management Act, 1999. The Company has filed necessary application with AD Category – I bank ("AD Bank") for extension of time limit on payables aggregating to Rs. 2.48 Crores during the current quarter and on payables aggregating to Rs. 3.23 Crores subsequent to 30 June 2021. Similarly, the Company has filed application with AD Bank for extension of time limit for the aforementioned receivables aggregating to Rs. 4.45 Crores during the current quarter and on receivables aggregating to Rs. 3.82 Crores subsequent to 30 June 2021. For all the cases, approval is pending from AD Bank.

Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable but not expected to be material and accordingly, the Statement does not include any adjustments that may arise due to such delays.

- 5) COVID-19 pandemic has impacted most economies and businesses globally, including India. The nation-wide lockdown in first half of financial year 2020 substantially impacted economic activity. The easing of lockdown measures subsequently led to gradual improvement in economic activity and progress towards normalcy. However, the extent to which the COVID-19 pandemic, including the "second wave" that has significantly increased the number of cases in India, impact the Statement, 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 that may result from the pandemic, on the carrying amounts of trade receivables, inventories, property, plant and equipment, other intangible assets, tax 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 this Statement, 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 this Statement.
- 6) The Company had filed claim before National Company Law Tribunal ("NCLT"), Mumbai, towards recovery of dues from EPC Constructions India Limited ("EPCIL/Corporate Debtor") on account of services rendered by the Company to EPCIL during its Corporate Insolvency Resolution Process ("CIRP") period commencing from April 2018.

NCLT vide its order dated 08 June 2021, uploaded on its website on 26 June 2021, has directed EPCIL to make payment of all outstanding dues to the Company within a period of 3 months from the date of receipt of the aforesaid order and has further directed EPCIL to continue to pay monthly charges towards services to be rendered by the Company. In view of the said directions of NCLT and considering the principles of waterfall mechanism applicable to CIRP; since the services rendered by the Company form part of CIRP, the dues recoverable on account of such services would rank pari passu with expenditure incurred on the CIRP and will have to be settled on priority. Accordingly, the Company is entitled to receive Rs.10.00 Crores from EPCIL towards services rendered during the period April 2018 to June 2021, within a period of 3 months from 26 June 2021.

Based on the above order, Company has recognised operating revenue of Rs. 8.51 Crores and interest income of Rs. 1.49 Crores during the quarter ended 30 June 2021.

FOR AND ON BEHALF OF THE BOARD



SANJEEV VERMA
WHOLE-TIME DIRECTOR
DIN: 06871685

Place : Dallas, Texas, The United States of America
Date : 14 August 2021
CIN : L32200MH1986PLC040652



Walker Chandiook & Co LLP

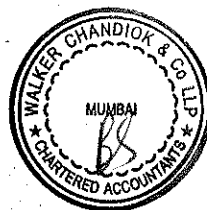
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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

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 **30 June 2021**, 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.



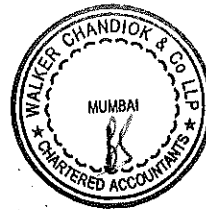
AGC Networks Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results 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 report of the other auditors referred to in paragraph 7 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 7 to the accompanying Statement, which describes the impact of COVID-19 pandemic on the Group's operations and on accompanying Statement as at 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.
6. We draw attention to Note 6 to the accompanying Statement which describes the delay in remittance of import payments and repatriation of proceeds of export of goods and services, aggregating to Rs. 11.43 Crores and Rs. 8.47 Crores, respectively, by the Holding Company, outstanding as at 30 June 2021, beyond the timelines stipulated under the Foreign Exchange Management Act, 1999, as amended from time to time. The Holding Company's management has filed necessary applications with the appropriate authority for extension of time period and condonation of such delays. The Holding Company's management is of the view that the fine / penalty, if any, that may be levied, are currently unascertainable but not expected to be material and accordingly, no adjustments have been made to the accompanying Statement in respect of the fine / penalty that may be levied on account of such delays.

Our conclusion is not modified in respect of matters reported in paragraphs 5 and 6 above.

7. We did not review the interim consolidated financial results of one subsidiary included in the Statement, whose interim financial information (before eliminating inter-company transactions) reflects total revenues of Rs. 1,080.91 Crores, total net profit after tax of Rs. 14.20 Crores and total comprehensive income of Rs. 13.92 Crores for the quarter ended on 30 June 2021, as considered in the Statement. 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.



AGC Networks Limited

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

Further, this subsidiary is located outside India, whose interim consolidated financial results have been prepared in accordance with accounting principles generally accepted in its country of incorporation and which have been reviewed by other auditors under International Standard on Review Engagements (ISRE). The Holding Company's management has converted the interim consolidated financial results of such subsidiary from accounting principles generally accepted in its country of incorporation 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 report of the other auditors.

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



Bharat Shetty
Partner
Membership No:106815

UDIN:21106815AAAACW3272

Place: Mumbai
Date: 14 August 2021

AGC Networks Limited
Independent Auditor's Review Report on Consolidated Unaudited Quarterly 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 Pte. Ltd.
- b. AGC Networks Philippines, Inc.
- c. AGC Networks & Cyber Solutions Limited
- d. AGC Networks LLC, Dubai
- e. AGC Networks LLC, Abu Dhabi
- f. BBX Main Inc.
- g. BBX Inc. and its subsidiaries (consolidated)



AGC NETWORKS LIMITED

Registered Office :- Essar House, 11 Keshavrao Khadye Marg, Opp. Race Course,
Mahalaxmi, Mumbai – 400034

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2021

(Rs. In Crores, unless otherwise stated)

Sr. No.	Particulars	Quarter ended		Year ended	
		Unaudited		Audited	
		30/06/2021	31/03/2021 (Refer note 2)	30/06/2020	31/03/2021
				Restated	
1	Income				
	(a) Revenue from operations	1,195.22	1,221.20	993.86	4,674.02
	(b) Other income	4.70	2.35	0.96	11.13
	(c) Gain on foreign currency transactions and translations (net)	3.91	-	-	-
	Total Income	1,203.83	1,223.55	994.82	4,685.15
2	Expenses				
	(a) Cost of materials and components consumed	0.90	1.23	1.63	5.36
	(b) Purchase of stock-in-trade	436.27	418.20	327.67	1,550.78
	(c) Changes in inventories of work-in-progress, stock-in-trade and finished goods	(21.40)	(16.89)	(11.07)	(15.15)
	(d) Service charges	149.23	141.81	132.14	601.09
	(e) Employee benefits expense (net)	474.85	490.29	399.99	1,825.38
	(f) Finance costs	15.15	23.76	22.01	97.91
	(g) Depreciation and amortisation expense	24.33	28.88	22.83	95.56
	(h) Other expenses	101.96	93.23	85.53	354.84
	Total expenses	1,181.29	1,180.51	980.73	4,515.77
3	Profit before loss / (gain) on financial liability, exceptional items and tax (1-2)	22.54	43.04	14.09	169.38
4	Loss / (gain) on fair value of financial liability	-	23.71	(0.23)	41.70
5	(Gain) on settlement of financial liability	(13.59)	-	-	-
6	Profit before exceptional items and tax (3-4-5)	36.13	19.33	14.32	127.68
7	Exceptional items - expenses (refer note 4)	3.35	9.82	5.85	31.69
8	Profit before tax (6-7)	32.78	9.51	8.47	95.99
9	Tax expense / (credit)				
	- Current tax	1.39	5.96	3.20	16.25
	- Deferred tax	0.27	2.11	(0.16)	1.65
10	Net profit for the period / year (8-9)	31.12	1.44	5.43	78.09
11	Other Comprehensive (Loss) / Income	(0.59)	74.16	13.29	115.50
12	Total Comprehensive Income for the period / year (10+11)	30.53	75.60	18.72	193.59
13	Paid-up equity share capital (face value of Rs.10 each)	32.53	32.53	29.78	32.53
14	Other equity				174.17
15	Earnings per share of Rs.10 each before exceptional items:				
	Basic (in Rs.)	10.60*	3.76*	3.79*	36.62
	Diluted (in Rs.)	10.35*	3.59*	3.48*	34.43
	Earnings per share of Rs.10 each after exceptional items :				
	Basic (in Rs.)	9.57*	0.48*	1.82*	26.05
	Diluted (in Rs.)	9.34*	0.48*#	1.63*	24.49

* Not annualised

Note

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

The effect of 424,705 potential equity shares outstanding as at 31 March 2021 is anti-dilutive and thus these shares are not considered in determining diluted earnings per share.



Notes:

- 1) These interim consolidated financial results (the "Statement") 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) Figures for the quarter ended 31 March 2021 are the balancing figures between the audited figures in respect of the full financial year ended 31 March 2021 and the unaudited published year to date figures up to 31 December 2020, which were subjected to a limited review by the statutory auditors.
- 3) The Statement has been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 14 August 2021. The statutory auditors have carried out a limited review of this Statement.
- 4) **Exceptional Items:**

Particulars	(Rs. in Crores)			
	Quarter ended			Year ended
	Unaudited			Audited
	30/06/2021	31/03/2021 (Refer note 2)	30/06/2020	31/03/2021
			Restated	
Provision / (reversal) of severance expenses [refer note (a)]	0.50	(1.31)	1.87	8.61
Acquisition cost [refer note (b)]	-	-	-	3.06
Foreclosure of leases [refer note (c)]	2.85	2.51	3.07	10.40
Estimated cost for legal settlement [refer note (d)]	-	6.20	-	6.20
Prepayment charges on loan repayment [refer note (e)]	-	2.42	-	2.42
COVID-19 expenses [refer note (f)]	-	-	0.91	1.00
	3.35	9.82	5.85	31.69

- (a) Represents net severance cost of BBX Inc. ("BBX") towards rationalisation of manpower to enhance operational efficiencies.
- (b) Represents acquisition related cost of BBX which includes valuation fees, advisory fees, legal and professional fees and consulting fees.
- (c) Represents early closure of leases related to BBX.
- (d) Represents estimated cost for legal settlement related to BBX.
- (e) Represents prepayment charges to prematurely exit borrowing facilities with Greensill, related to BBX.
- (f) Represents expenses incurred on COVID-19 safety measures which includes purchase of masks, gloves, sterilisation equipment and other safety products for employees of BBX.

- 5) The Statement is prepared in accordance with the requirements of Ind AS 110 – 'Consolidated Financial Statements' specified under section 133 of the Act.
- 6) The outstanding balance of trade payables, trade receivables and other financial assets as at 30 June 2021 includes amount payable aggregating to Rs. 11.43 Crores and amount receivable aggregating to Rs. 2.41 Crores and Rs. 8.08 Crores, respectively, to / from the companies situated outside India. These balances are pending for settlement and have resulted in delay in remittance / collection beyond the timeline stipulated under the Foreign Exchange Management Act, 1999. AGC Networks Limited (the "Holding Company") has filed necessary application with AD Category – I bank ("AD Bank") for extension of time limit on payables aggregating to Rs. 4.70 Crores during the current quarter and on payables aggregating to Rs. 6.73 Crores subsequent to 30 June 2021. Similarly, the Holding Company has filed an application with AD Bank for extension of time limit for the aforementioned receivables aggregating to Rs. 4.65 Crores during the current quarter and on receivables aggregating to Rs. 3.82 Crores subsequent to 30 June 2021. For all the cases, approval is pending from AD Bank.

Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable but not expected to be material and accordingly, the accompanying Statement does not include any adjustments that may arise due to such delays.

- 7) 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 activity depending on the severity of the disruption caused in respective countries. However, the extent to which the COVID-19 pandemic, including the "second wave" that has significantly increased the number of cases in certain countries, impact the Statement, 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 that may result from the pandemic, on the carrying amounts of trade receivables, inventories, property, plant and equipment, other intangible assets, tax assets (including deferred tax 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 Group, as at the date of approval of this Statement, 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 this Statement.
- 8) Black Box Holdings Limited ("BBHL"), step-down subsidiary of the Holding Company, had entered into a share purchase agreement with Z Services Holding Ltd., a BVI business company incorporated in the British Virgin Islands ("seller") on 11 March 2021, to acquire 76% of shares of Z Services HQ DMCC ("Target Company"), limited liability company incorporated under laws of Dubai Multi Commodities Centre ("DMCC"), for a total consideration of USD 3,940,000, payable on closing of transaction/acquisition. The acquisition was earlier effective from 1 April 2021, and based on the updated terms, the revised effective date is 1 July 2021.
- 9) The Holding Company had filed claim before National Company Law Tribunal ("NCLT"), Mumbai, towards recovery of dues from EPC Constructions India Limited ("EPCCIL/Corporate Debtor") on account of services rendered by the Holding Company to EPCCIL during its Corporate Insolvency Resolution Process ("CIRP") period commencing from April 2018.

NCLT vide its order dated 08 June 2021, uploaded on its website on 26 June 2021, has directed EPCCIL to make payment of all outstanding dues to the Holding Company within a period of 3 months from the date of receipt of the aforesaid order and has further directed EPCCIL to continue to pay monthly charges towards services to be rendered by the Holding Company. In view of the said directions of NCLT and considering the principles of waterfall mechanism applicable to CIRP; since the services rendered by the Holding Company form part of CIRP, the dues recoverable on account of such services would rank pari passu with expenditure incurred on the CIRP and will have to be settled on priority. Accordingly, the Holding Company is entitled to receive Rs.10.00 Crores from EPCCIL towards services rendered during the period April 2018 to June 2021, within a period of 3 months from 26 June 2021.

Based on the above order, Holding Company has recognised operating revenue of Rs. 8.51 Crores and interest income of Rs. 1.49 Crores during the quarter ended 30 June 2021.



10) Restatement on account of prior period errors or omissions

1 Warrants

- a) During the financial year 2018-19, BBX, step-down subsidiary of Holding Company, had entered into a credit agreement with Pathlight Capital Fund LLP (the 'lender') to avail credit facility amounting to Rs. 692.57 Crores (USD 97.50 Million) for Black Box Corporation ('BBC'). Further, as an inducement and towards partial consideration for entering into the credit agreement, warrants were issued to the lender, which had a right to purchase common stock of BBC, having par value of USD 0.01 per share. BBC, step-down subsidiary of the Holding Company, had not accounted for these warrants in the relevant period and accordingly accounting impact was not considered in the consolidated financial results of that period.
- b) The Holding Company was required to account financial liability at fair value of warrants with corresponding debit to debt issuance cost. These warrants should be subsequently measured at fair value through profit or loss at each reporting date in accordance with Ind AS 109, 'Financial Instruments'. Further, debt issuance cost should be amortised over the period of loan.

2 Sale and leaseback

- a) During the financial year 2019-20, BBC executed an arrangement of sale and leaseback with Pits Properties Inc. ('PPI') where BBC ('seller / lessee') agreed to sell and lease back its land and building with PPI ('purchaser/buyer/ lessor'). The transaction was recorded in the books in the relevant period. PPI is an unrelated party.
- b) During the same financial year 2019-20, AGC Networks LLC, USA ('AGC USA'), step-down subsidiary of the Holding Company, had provided financial guarantee to the lender of PPI on behalf of PPI. BBC had also provided springing guarantee to the lender of PPI which became effective on premature repayment by BBC to Pathlight in December 2019. It is construed that PPI raised the money from its lender against the financial guarantee given by AGC USA apart from the security of land and building to pay BBC towards sales consideration. Accordingly, the initial sale and lease back transaction became invalid in line with Ind AS 115, 'Revenue from Contracts with Customers' and Ind AS 116, 'Leases'. This has resulted into unwinding of sale and lease back transaction on the initial date of recognition. Land and building are re-recognized in the books and depreciation is charged as if the sale never took place. Financial liability is recognized in the books for the amount equivalent to the consideration already received from PPI in respective periods.
- c) Further, AGC USA and BBC had not accounted for the financial guarantee in accordance with Ind AS 109, 'Financial Instruments' at the time of issuing the guarantee to lenders of PPI. Accordingly, guarantee is recorded at fair value on initial recognition, and fair value is determined by comparing effective interest rate implied by the cash flow analysis with BBC's incremental borrowing rate.

This Statement includes the effect of restatement in accordance with Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' for correction of certain material prior period errors for the aforementioned matters. The interim consolidated financial information of BBX prepared for the purpose of consolidation for the quarter ended 30 June 2021, contain restatement of certain comparative figures resulting from correction of certain prior period errors relating to quarter ended 30 June 2020.

The following table summarize the impact on the Statement:

Particulars	(Rs. In Crores)		
	Quarter ended		
	30/06/2020 Before restatement	30/06/2020 Adjustment	30/06/2020 Restated figures
Other Income	0.94	0.02	0.96
Finance costs	20.62	1.39	22.01
Depreciation and amortisation expense	25.01	(2.18)	22.83
Other expenses	85.59	(0.06)	85.53
Profit before (gain) on financial liability, exceptional items and tax	13.22	0.87	14.09
(Gain) on fair value of financial liability	-	(0.23)	(0.23)
Profit before exceptional items and tax	13.22	1.10	14.32
Exceptional items - expenses (refer note 4)	5.85	-	5.85
Profit before tax	7.37	1.10	8.47
Tax expense	3.04	-	3.04
Net profit for the period	4.33	1.10	5.43
Other Comprehensive Income	13.19	0.10	13.29
Total Comprehensive Income for the period	17.52	1.20	18.72

- 11) On 30 June 2021, BBC has entered into a contract to premature the warrant agreement with Pathlight Capital Fund LLP, executed in pursuance of credit agreement referred to in Note 10.1 above, by buying back the warrants for a value of Rs. 89.71 Crores (equivalent to US\$ 12.25 Million).

Place : Dallas, Texas, The United States of America
Date : 14 August 2021
CIN : L32200MH1986PLC040652

FOR AND ON BEHALF OF THE BOARD



SANJEEV VERMA
WHOLE-TIME DIRECTOR
DIN: 06871685



AGC NETWORKS LIMITED

Registered Office :- Essar House, 11 Keshavrao Khadye Marg, Opp. Race Course,
Mahalaxmi, Mumbai – 400034

STATEMENT OF UNAUDITED CONSOLIDATED SEGMENT INFORMATION FOR THE QUARTER ENDED 30 JUNE 2021

Segment information

Particulars	Quarter ended			(Rs. in Crores)
	Unaudited			Year ended
	30/06/2021	31/03/2021 (Refer note 2)	30/06/2020	Audited 31/03/2021
			Restated	
Segment revenue				
System integration	980.41	1,012.63	623.50	3,878.66
Technology product solutions	193.97	185.24	159.66	728.85
Others	20.84	23.33	10.70	66.61
Revenue from operations	1,195.22	1,221.20	993.86	4,674.02
Segment results				
System integration	26.40	45.65	38.87	217.09
Technology product solutions	(0.18)	12.49	(1.38)	31.83
Others	2.86	6.31	(2.35)	7.24
Total of segment results	29.08	64.45	35.14	256.16
Other income	4.70	2.35	0.96	11.13
Gain on foreign currency transaction and translation (net)	3.91	-	-	-
Finance costs	15.15	23.76	22.01	97.91
Profit before loss / (gain) on financial liability, exceptional items and tax	22.64	43.04	14.09	169.38
Loss / (gain) on fair value of financial liability	-	23.71	(0.23)	41.70
(Gain) on settlement of financial liability	(13.59)	-	-	-
Profit before exceptional items and tax	36.13	19.33	14.32	127.68
Exceptional items - expenses (refer note 4)	3.35	9.82	5.85	31.69
Profit before tax	32.78	9.51	8.47	95.99
Tax expense	1.66	8.07	3.04	17.90
Net profit for the period / year	31.12	1.44	5.43	78.09
Depreciation and amortisation expense	24.33	28.88	22.83	95.56

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.

