

AGC/PB/SE/2015/042

November 5, 2015

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

Sub.: Outcome of the Board meeting dated 5th November, 2015 & un-audited financial results of the Company (stand-alone and consolidated) for the quarter/period ended 30th September, 2015


Ref.: Scrip code BSE: 500463/NSE: AGCNET

This is to inform you that the Board at its meeting held on Thursday, 5th November, 2015 at registered office of the Company, inter-alia considered and approved the un-audited financial results of the Company (stand-alone and consolidated) for the quarter/period ended 30th September, 2015. Signed copies of the same along with the copy of Limited Review Report (stand-alone and consolidated) from the statutory auditors of the Company for the quarter ended 30th September, 2015 are attached herewith.

This is for your information, record and necessary action.

Thanking You,

For AGC Networks Limited


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



Walker Chandiook & Co LLP

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Review Report

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 Company") and its subsidiaries (collectively referred to as "the Group") for the quarter ended 30 September 2015 and the year to date results for the period 1 April 2015 to 30 September 2015, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. As stated in Note 4 (i) to the Statement, during the year ended 31 March 2015 the Company had recognized sale of properties having aggregate carrying value of Rs. 1.09 crores and profit on such sale amounting to Rs. 46.04 crores (net of incidental selling expenses amounting to Rs. 3.39 crores) under 'exceptional items'. In our opinion, as the significant risks and rewards for the said properties have not yet been transferred, recognition of such sale is not in accordance with the principles laid under Accounting Standard (AS) 9 "Revenue Recognition". Had the Company followed the principles of AS 9, for the quarter and six months period ended 30 September 2015, the prior period expense and loss before tax would have been higher by Rs. 46.04 crores each (30 June 2015: Rs. 46.04 crores) and tax expense for the said quarter and six months period ended would have been lower by Rs. 3.27 crores (30 June 2015: Rs. 3.27 crores); long-term loans and advances and carrying

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value of tangible assets as at 30 September 2015 would have been higher by Rs. 3.27 crores (31 March 2015: Rs. 3.27 crores) and Rs. 1.09 crores (31 March 2015: Rs. 1.09 crores) respectively; reserves and surplus, other current assets and other current liabilities as at that date would have been lower by Rs. 42.77 crores (31 March 2015: Rs. 42.77 crores), Rs. 50.52 crores (31 March 2015: Rs. 50.52 crores) and Rs. 3.39 crores (31 March 2015: 3.39 crores) respectively. Similarly, profit before tax and tax expense for the year ended 31 March 2015 would have been lower by Rs. 46.04 crores and Rs. 3.27 crores respectively. Our audit opinion on the financial statements for the year ended 31 March 2015 and review report on the results for the quarter ended 30 June 2015, were qualified in respect of this matter.

4. Based on our review conducted as above, except for the effects of qualification as described in the previous paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No: 001076N/N500013

per **Adi P. Sethna**
Partner
Membership No. 108840

Place: Mumbai
Date: 5 November 2015

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AGC NETWORKS LIMITED

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



STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/SIX MONTHS ENDED 30 SEPTEMBER 2015

₹ in Crore

Sr. No.	Particulars	Quarter ended			Six months ended		Year ended
		Unaudited			Unaudited		Audited
		30/09/2015	30/06/2015	30/09/2014	30/09/2015	30/09/2014	31/03/2015
1	Gross sales/Income from operations	211.52	213.59	222.36	425.11	414.42	888.78
	Excise duty	0.29	0.30	0.32	0.59	0.52	1.15
	(a) Net sales/Income from operations	211.23	213.29	222.04	424.52	413.90	887.63
	(b) Other operating income	1.73	1.07	2.21	2.80	2.30	3.18
	Total income from operations (net)	212.96	214.36	224.25	427.32	416.20	890.81
2	Expenses						
	a) Cost of materials consumed	2.70	1.31	0.67	4.01	1.57	5.63
	b) Purchase of stock-in-trade	80.48	91.21	73.17	171.69	156.89	307.17
	c) Change in inventories of finished goods, work-in-progress and stock-in-trade	0.87	(2.18)	22.47	(1.31)	24.61	67.18
	d) Service charge	52.02	50.23	48.50	102.25	87.73	201.08
	e) Employee benefits expense	51.39	51.98	47.10	103.37	100.10	192.49
	f) Depreciation and amortisation expense	1.95	2.43	4.49	4.38	9.61	18.44
	g) Doubtful debts provided / (written back) (Net)	0.21	0.20	1.57	0.41	0.73	(0.08)
	h) Other expenses	26.21	21.14	25.02	47.35	46.60	93.17
	Total expenses	215.83	216.32	222.99	432.15	427.84	885.08
3	(Loss)/Profit from operations before other income, finance costs and exceptional items (1-2)	(2.87)	(1.96)	1.26	(4.83)	(11.64)	5.73
4	Other income	3.76	6.13	0.71	9.89	2.50	6.28
5	(Loss)/Profit from ordinary activities before finance costs and exceptional items (3+4)	0.89	4.17	1.97	5.06	(9.14)	12.01
6	Finance costs	7.07	5.71	6.37	12.78	13.00	25.92
7	(Loss)/Profit from ordinary activities after finance costs but before exceptional items (5-6)	(6.18)	(1.54)	(4.40)	(7.72)	(22.14)	(13.91)
8	(a) Exceptional items - expenses / (income)	-	(1.64)	4.69	(1.64)	4.69	(32.25)
	(b) Prior period items - expenses / (income)	-	-	0.26	-	1.66	1.66
9	(Loss)/Profit from ordinary activities before tax (7-8)	(6.18)	0.10	(9.35)	(6.08)	(28.49)	17.68
10	Tax expense						
	- Current tax	1.13	0.08	(0.15)	1.21	0.20	3.47
	- Tax adjustments relating to earlier years (Refer note 7)	9.65	-	-	9.65	-	(0.56)
11	Net (Loss)/Profit from ordinary activities after tax (9-10)	(16.96)	0.02	(9.20)	(16.94)	(28.69)	14.77
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net (Loss)/Profit for the period (11-12)	(16.96)	0.02	(9.20)	(16.94)	(28.69)	14.77
14	Share of profit/(loss) of associates	-	-	-	-	-	-
15	Minority interest	-	-	-	-	-	-
16	Net (Loss)/Profit after taxes, minority interest and share of profit of associates (13+14+15)	(16.96)	0.02	(9.20)	(16.94)	(28.69)	14.77
17	Paid-up equity share capital (face value of ₹ 10 each)	28.47	28.47	28.47	28.47	28.47	28.47
18	Reserves excluding Revaluation Reserves as per balance sheet	-	-	-	-	-	58.16
19	Earnings per share of ₹ 10/- each (not annualised): Basic and Diluted (in ₹)	(5.96)	0.01	(3.23)	(5.95)	(10.08)	5.19

Select information for the quarter/six months ended 30 September 2015							
A	PARTICULARS OF SHAREHOLDING (EQUITY)						
1	Public shareholding :						
	Number of shares	71,16,616	71,16,616	71,16,616	71,16,616	71,16,616	71,16,616
	Percentage of shareholding	25.00	25.00	25.00	25.00	25.00	25.00
2	Promoters and Promoter Group Shareholding						
	a) Pledged/Encumbered						
	Number of shares	2,13,49,848	2,13,49,848	2,13,49,848	2,13,49,848	2,13,49,848	2,13,49,848
	Percentage of shares (as a % of the total shareholding of promoter and Promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	Percentage of shares (as a % of the total share capital of the Company)	75.00	75.00	75.00	75.00	75.00	75.00
	b) Non-encumbered						
	Number of shares	-	-	-	-	-	-
	Percentage of shares (as a % of the total shareholding of promoter and Promoter group)	-	-	-	-	-	-
	Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
B	INVESTOR COMPLAINTS						
	Pending at the beginning of the quarter	0					
	Received during the quarter	15					
	Disposed of during the quarter	15					
	Remaining unresolved at the end of the quarter	0					



Statement of Assets and Liabilities

₹ in Crores

Sr. No.	Particulars	Consolidated (Unaudited)	Consolidated (Audited)
		As at	
		30/09/2015	31/03/2015
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share capital	43.47	43.47
	b) Reserves and surplus	41.27	58.16
	Sub-total - Shareholders' funds	84.74	101.63
2	Non-current liabilities		
	a) Other long-term liabilities	6.43	8.29
	b) Long-term provisions	7.03	6.37
	Sub-total - Non-current liabilities	13.46	14.66
3	Current liabilities		
	a) Short-term borrowings	167.89	144.28
	b) Trade payables	224.66	197.86
	c) Other current liabilities	158.68	168.49
	d) Short-term provisions	6.10	5.15
	Sub-total - Current liabilities	557.33	515.78
	TOTAL - EQUITY AND LIABILITIES	655.53	632.07
B	ASSETS		
1	Non-current assets		
	a) Tangible assets	15.60	18.42
	b) Intangible assets	88.46	71.28
	c) Trade receivables	1.75	2.09
	d) Long-term loans and advances	74.35	82.29
	e) Other non-current assets	7.73	6.24
	Sub-total - Non-current assets	187.89	180.32
2	Current assets		
	a) Inventories	27.62	26.48
	b) Trade receivables	266.84	246.66
	c) Cash and bank balances	29.25	33.70
	d) Short-term loans and advances	50.47	49.50
	e) Other current assets	93.46	95.41
	Sub-total - Current assets	467.64	451.75
	TOTAL ASSETS	655.53	632.07



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Notes:

- 1) (a) The Company has opted to publish only consolidated financial results which are reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 5 November 2015.

(b) Key numbers of Standalone Financial Results of the Company are as under:

₹ In Crores

	Quarter ended			Six months ended		Year ended
	Unaudited			Unaudited		Audited
	30/09/2015	30/06/2015	30/09/2014	30/09/2015	30/09/2014	31/03/2015
Net sales/Income from operations	74.82	80.82	91.53	155.64	151.52	339.36
Profit / (loss) before tax	(9.69)	(1.57)	(11.95)	(11.26)	(39.65)	2.33
Net profit / (loss) after tax	(9.69)	(1.57)	(11.95)	(11.26)	(39.65)	(0.38)

The standalone financial results are available at the company's and stock exchanges' websites.

- 2) The Company operates in one business segment i.e., Business Communication Solutions and Integration, which is considered as the primary reporting segment.
- 3) On 1 June 2015, AGC Networks Inc. (a step down subsidiary of the Company) acquired the assets and liabilities vide Assets Purchase Agreement (APA) with the Company Ensource Inc. based in Jacksonville, Florida and the acquisition was completely funded through internal operating funds of AGC Networks Inc. The group has paid purchase consideration of ₹ 3.59 crore to acquire Net liabilities of ₹ 8.47 crores, which has resulted in the goodwill of ₹ 12.06 crores.

4) Exceptional items:

(i) During the year ended 31 March 2015, the Company entered into deeds of assignment to transfer all the rights, title and obligations of its land and building situated at Gandhinagar to another company for a consideration of ₹ 50.52 Crores. During the quarter ended 30 June 2015, the lender to whom these assets were provided as security, provided its in-principal approval for the said transfer subject to fulfillment of conditions stated therein. The said transfer is complete pending approval from the relevant government authority and transfer of legal title, that are considered to be procedural in nature. Accordingly the Company had recognised profit on sale of Fixed Assets of ₹ 46.04 Crores (net of incidental expenses ₹ 3.39 Crores). The statutory auditors of the Company have qualified their audit report for the year ended 31 March 2015 and their review reports for the quarter and period ended 30 June 2015 and 30 September 2015 in respect of this matter. The Company has applied for requisite approvals which are still awaited as of date.

The "Short term borrowings" includes Working capital loan of ₹ 45 Crores secured against the above mentioned property as the Company intends to expire the borrowing either by way of assignment to the buyer of the aforesaid property or by way of repayment of the loan from the sale consideration.

(ii) Further the company has recognised interest income amounting to ₹ 1.64 Crores during quarter ended 30 June 2015 on sale consideration receivable from the buyer towards assignment of land and building situated at Gandhinagar, referred above, which has been disclosed under "Exceptional Items".

(iii) Provision for Inventory which has been identified as obsolete/slow moving/non-moving aggregating to ₹ 4.69 Crores for the quarter and six months ended 30 September, 2014 and ₹ 12.79 Crores for the quarter and year ended 31 March 2015

5. a) Employee benefit expense for the year ended 31 March 2015 includes:-

(i) ₹ 1.07 Crores towards remuneration payable by the Company to its erstwhile Whole-time Director (now a Non-executive Director) for a part of the financial year 2014-15, as per the shareholders' sanction, which exceeds the limits specified under Schedule V to the Companies Act, 2013 by ₹ 0.72 Crores and against which the Company has paid ₹ 0.82 Crores. In absence of profits, the Company filed an application with the Central Government seeking approval for such excess which is awaited till date. Until such time the excess has not been adjusted and is held in trust for the Company by the Director.

(ii) ₹ 0.67 Crores towards remuneration payable to the Managing Director for a part of the financial year 2014-15. The remuneration payable as per the shareholders' sanction was ₹ 3.19 Crores against which the Company has paid ₹ 2.01 Crores during the year. In absence of profits, the Company filed an application with the Central Government seeking approval for remuneration sanctioned by the shareholders, which exceeds the limits specified under Schedule V to the Companies Act, 2013. However, it has received an approval, subsequent to the year end for ₹ 0.84 Crores per annum. In view of the same, the excess amount has been reversed and disclosed as excess remuneration recoverable under "Other current assets", balance as on September 2015: ₹ 0.72 crores (March 2015: ₹ 1.34 crores). The Company has filed fresh application for reconsidering their case against which response is awaited.

5. b) During the year ended 31 March 2015 AGC Networks Inc has entered into an Asset Transfer Agreement to sell its entire fixed assets, at their carrying value of ₹ 14.36 Crores to a party with which it has entered into a Master Service Agreement for use of the same / similar assets to support its operations. The Company believes this arrangement would enable it to obtain significant advantages in the nature of maintenance / capacity enhancement of such assets and reduction in technology risk while focusing on its core business of providing networking solutions to its customers.

- 6) The statement of consolidated results are prepared in accordance with the requirements of Accounting Standard 21 – Consolidated Financial Statements specified under section 133 of the Companies Act, 2013 read together with Rule 7 of the Companies (Accounts) Rules, 2014.

The financial results of the following entities have been consolidated with the financial results of the Company:

AGC Networks Australia Pty Limited
AGC Networks Pte Limited, Singapore
AGC Networks, Inc., USA
AGC Networks Philippines, Inc.

- 7) Represents provision for with-holding tax credits for earlier years relating to the Singapore entity.
- 8) Previous period figures have been re-grouped and reclassified, wherever necessary, to correspond to those of the current period.

FOR AND ON BEHALF OF THE BOARD

Anil Nair
ANIL NAIR
MANAGING DIRECTOR & CEO
DIN: 02655564

Place: Mumbai
Date : 05 NOVEMBER 2015
CIN : L32200MH1986PLC040652



Walker Chandiook & Co LLP

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Review Report

To the Board of Directors of AGC Networks Limited

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of AGC Networks Limited ("the Company") for the quarter ended 30 September 2015 and the year to date results for the period 1 April 2015 to 30 September 2015, except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures, applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. As stated in Note 3(i) to the Statement, during the year ended 31 March 2015 the Company had recognized sale of properties having aggregate carrying value of Rs. 1.09 crores and profit on such sale amounting to Rs. 46.04 crores (net of incidental selling expenses amounting to Rs. 3.39 crores) under 'exceptional items'. In our opinion, as the significant risks and rewards for the said properties have not yet been transferred, recognition of such sale is not in accordance with the principles laid under Accounting Standard (AS) 9 "Revenue Recognition". Had the Company followed the principles of AS 9, for the quarter and six months period ended 30 September 2015, the prior period expense and loss before tax would have been higher by Rs. 46.04 crores each (30 June 2015: Rs. 46.04 crores) and tax



expense for the said quarter and six months period ended would have been lower by Rs. 3.27 crores (30 June 2015: Rs. 3.27 crores); long-term loans and advances and carrying value of tangible assets as at 30 September 2015 would have been higher by Rs. 3.27 crores (31 March 2015: Rs. 3.27 crores) and Rs. 1.09 crores (31 March 2015: Rs. 1.09 crores) respectively; reserves and surplus, other current assets and other current liabilities as at that date would have been lower by Rs. 42.77 crores (31 March 2015:Rs. 42.77 crores), Rs. 50.52 crores (31 March 2015: Rs. 50.52 crores) and Rs. 3.39 crores (31 March 2015: 3.39 crores) respectively. Similarly, profit before tax and tax expense for the year ended 31 March 2015 would have been lower by Rs. 46.04 crores and Rs. 3.27 crores respectively. Our audit opinion on the financial statements for the year ended 31 March 2015 and review report on the results for the quarter ended 30 June 2015, were qualified in respect of this matter.

4. Based on our review conducted as above, except for the effects of the qualification as described in the previous paragraph, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable accounting standards, as notified under the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Walker Chandiook & Co LLP

For Walker Chandiook & Co LLP
(formerly Walker, Chandiook & Co)
Chartered Accountants
Firm Registration No: 001076N/N500013



per **Adi P. Sethna**
Partner
Membership No.108840

Place: Mumbai
Date: 5 November, 2015

AGC NETWORKS LIMITED

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



₹ in Crore

TATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/SIX MONTHS ENDED 30 SEPTEMBER 2015

No.	Particulars	Quarter ended			Six months ended		Year ended
		Unaudited			Unaudited		Audited
		30/09/2015	30/06/2015	30/09/2014	30/09/2015	30/09/2014	31/03/2015
1	Gross sales/Income from operations	75.11	81.12	91.85	156.23	152.02	340.51
	Excise duty	0.29	0.30	0.32	0.59	0.50	1.15
	(a) Net sales/Income from operations	74.82	80.82	91.53	155.64	151.52	339.36
	(b) Other operating income	0.53	0.26	0.16	0.79	0.25	0.76
	Total income from operations (net)	75.35	81.08	91.69	156.43	151.77	340.12
2	Expenses						
	a) Cost of materials consumed	2.70	1.31	0.62	4.01	1.58	5.63
	b) Purchase of stock-in-trade	24.97	38.57	30.11	63.54	62.79	103.94
	c) Change in inventories of finished goods, work-in-progress and stock-in-trade	4.88	(0.20)	16.11	4.68	7.74	38.27
	d) Service charge	21.19	18.68	18.16	39.87	36.13	87.68
	e) Employee benefits expense	12.29	15.07	15.44	27.36	33.48	57.82
	f) Depreciation and amortisation expense	1.33	1.27	1.28	2.60	2.65	5.13
	g) Doubtful debts provided / (written back) (Net)	0.02	-	(0.14)	0.02	7.81	5.35
	h) Other expenses	14.42	10.71	15.25	25.13	26.99	54.20
	Total expenses	81.80	85.41	96.83	167.21	179.15	358.02
3	(Loss)/Profit from operations before other income, finance costs and exceptional items (1-2)	(6.45)	(4.33)	(5.14)	(10.78)	(27.38)	(17.90)
4	Other income	3.19	6.60	2.03	9.79	3.73	10.71
5	(Loss)/Profit from ordinary activities before finance costs and exceptional items (3+4)	(3.26)	2.27	(3.11)	(0.99)	(23.65)	(7.19)
6	Finance costs	6.43	5.48	5.99	11.91	11.75	24.17
7	(Loss)/Profit from ordinary activities after finance costs but before exceptional items (5-6)	(9.69)	(3.21)	(9.10)	(12.90)	(35.40)	(31.36)
8	(a) Exceptional items - expenses / (income)	-	(1.64)	2.59	(1.64)	2.59	(35.35)
	(b) Prior period items - expenses / (income)	-	-	0.26	-	1.66	1.66
9	(Loss)/Profit from ordinary activities before tax (7-8)	(9.69)	(1.57)	(11.95)	(11.26)	(39.65)	2.33
10	Tax expense						
	- Current tax	-	-	-	-	-	3.27
	- Tax adjustments relating to earlier years	-	-	-	-	-	(0.56)
11	Net (Loss)/Profit from ordinary activities after tax (9-10)	(9.69)	(1.57)	(11.95)	(11.26)	(39.65)	(0.38)
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	Net (Loss)/Profit for the period (11-12)	(9.69)	(1.57)	(11.95)	(11.26)	(39.65)	(0.38)
14	Paid-up equity share capital (face value of ₹ 10 each)	28.47	28.47	28.47	28.47	28.47	28.47
15	Reserves excluding Revaluation Reserves as per balance sheet	-	-	-	-	-	65.04
16	Earnings per share of ₹ 10/- each (not annualised):						
	Basic and Diluted (in ₹)	(3.40)	(0.55)	(4.20)	(3.96)	(13.93)	(0.13)

Select information for the quarter/six months ended 30 September 2015							
A	PARTICULARS OF SHAREHOLDING (EQUITY)						
1	Public shareholding :						
	Number of shares	71,16,616	71,16,616	71,16,616	71,16,616	71,16,616	71,16,616
	Percentage of shareholding	25.00	25.00	25.00	25.00	25.00	25.00
2	Promoters and Promoter Group Shareholding						
	a) Pledged/Encumbered						
	Number of shares	2,13,49,848	2,13,49,848	2,13,49,848	2,13,49,848	2,13,49,848	2,13,49,848
	Percentage of shares (as a % of the total shareholding of promoter and Promoter group)	100.00	100.00	100.00	100.00	100.00	100.00
	Percentage of shares (as a % of the total share capital of the Company)	75.00	75.00	75.00	75.00	75.00	75.00
	b) Non-encumbered						
	Number of shares	-	-	-	-	-	-
	Percentage of shares (as a % of the total shareholding of promoter and Promoter group)	-	-	-	-	-	-
	Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-
3	INVESTOR COMPLAINTS						
	Pending at the beginning of the quarter	0					
	Received during the quarter	15					
	Disposed of during the quarter	15					
	Remaining unresolved at the end of the quarter	0					



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Statement of Assets and Liabilities

₹ in Crores

Sr. No.	Particulars	Standalone (Unaudited)	Standalone (Audited)
		As at	
		30/09/2015	31/03/2015
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	a) Share capital	43.47	43.47
	b) Reserves and surplus	54.04	65.04
	Sub-total - Shareholders' funds	97.51	108.51
2	Non-current liabilities		
	a) Other long-term liabilities	1.00	1.65
	b) Long-term provisions	6.45	5.88
	Sub-total - Non-current liabilities	7.45	7.53
3	Current liabilities		
	a) Short-term borrowings	147.77	136.14
	b) Trade payables	109.36	115.56
	c) Other current liabilities	46.70	54.71
	d) Short-term provisions	0.53	0.52
	Sub-total - Current liabilities	304.36	306.93
	TOTAL - EQUITY AND LIABILITIES	409.32	422.97
B	ASSETS		
1	Non-current assets		
	a) Tangible assets	9.06	10.61
	b) Intangible assets	3.11	1.60
	c) Non-current investments	48.72	48.72
	d) Trade receivables	1.75	2.09
	e) Long-term loans and advances	74.51	75.31
	f) Other non-current assets	5.77	4.68
	Sub-total - Non-current assets	142.92	143.01
2	Current assets		
	a) Inventories	12.89	18.09
	b) Trade receivables	130.31	124.19
	c) Cash and bank balances	5.20	4.75
	d) Short-term loans and advances	46.24	67.48
	e) Other current assets	71.76	65.45
	Sub-total - Current assets	266.40	279.96
	TOTAL ASSETS	409.32	422.97



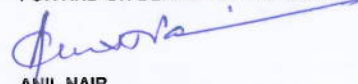
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Notes:

- 1) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 5 November 2015
- 2) The Company operates in one business segment i.e., Business Communication Solutions and Integration, which is considered as the primary reporting segment.
- 3) Exceptional items:
 - (i) During the year ended 31 March 2015, the Company entered into deeds of assignment to transfer all the rights, title and obligations of its land and building situated at Gandhinagar to another company for a consideration of ₹ 50.52 Crores. During the quarter ended 30 June 2015, the lender to whom these assets were provided as security, provided its in-principal approval for the said transfer subject to fulfillment of conditions stated therein. The said transfer is complete pending approval from the relevant government authority and transfer of legal title, that are considered to be procedural in nature. Accordingly the Company had recognised profit on sale of Fixed Assets of ₹ 46.04 Crores (net of incidental expenses ₹ 3.39 Crores). The statutory auditors of the Company have qualified their audit report for the year ended 31 March 2015 and their review reports for the quarter and period ended 30 June 2015 and 30 September 2015 in respect of this matter. The Company has applied for requisite approvals which are still awaited as of date.

The "Short term borrowings" includes Working capital loan of ₹ 45 Crores secured against the above mentioned property as the Company intends to expire the borrowing either by way of assignment to the buyer of the aforesaid property or by way of repayment of the loan from the sale consideration.
 - (ii) Further the company has recognised interest income amounting to ₹ 1.64 Crores during quarter ended 30 June 2015 on sale consideration receivable from the buyer towards assignment of land and building situated at Gandhinagar, referred above, which has been disclosed under "Exceptional Items".
 - (iii) Provision for Inventory which has been identified as obsolete/slow moving/non-moving aggregating to ₹ 2.59 Crores for the quarter and six months ended 30 September, 2014 and ₹ 10.69 Crores for the year ended 31 March 2015.
- 4) Employee benefit expense for the year ended 31 March 2015 includes:-
 - (i) ₹ 1.07 Crores towards remuneration payable by the Company to its erstwhile Whole-time Director (now a Non-executive Director) for a part of the financial year 2014-15, as per the shareholders' sanction, which exceeds the limits specified under Schedule V to the Companies Act, 2013 by ₹ 0.72 Crores and against which the Company has paid ₹ 0.82 Crores. In absence of profits, the Company filed an application with the Central Government seeking approval for such excess which is awaited till date. Until such time the excess has not been adjusted and is held in trust for the Company by the Director.
 - (ii) ₹ 0.67 Crores towards remuneration payable to the Managing Director for a part of the financial year 2014-15. The remuneration payable as per the shareholders' sanction was ₹ 3.19 Crores against which the Company has paid ₹ 2.01 Crores during the year. In absence of profits, the Company filed an application with the Central Government seeking approval for remuneration sanctioned by the shareholders, which exceeds the limits specified under Schedule V to the Companies Act, 2013. However, it has received an approval, subsequent to the year end for ₹ 0.84 Crores per annum. In view of the same, the excess amount has been reversed and disclosed as excess remuneration recoverable under "Other current assets", balance as on September 2015: ₹ 0.72 crores (March 2015: ₹ 1.34 crores). The Company has filed fresh application for reconsidering their case against which response is awaited.
- 5) Previous period figures have been re-grouped and reclassified, wherever necessary, to correspond to those of the current period.

FOR AND ON BEHALF OF THE BOARD


ANIL NAIR
MANAGING DIRECTOR & CEO
DIN: 02655564

Place: Mumbai
Date : 05 NOVEMBER 2015
CIN : L32200MH1986PLC040652

