AGC
Accelerating Business

AGC Networks Limited
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AGC/PB/SE/2017/005

February 9, 2017

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

Dear Sir,

Sub.: Outcome of the Board Meeting dated 9th February, 2017 & unaudited financial results of the Company (stand-alone and consolidated) for the quarter/period ended 31st December, 2016
Ref.: Scrip code BSE: 500463/NSE: AGCNET

This is to inform you that the Board at its meeting held on Thursday, 9th February, 2017 at Conference Room, Essar House, 11, K.K.Marg, Mahalaxmi, Mumbai - 400034, inter-alia considered and approved the un-audited financial results of the Company (stand-alone and consolidated) for the quarter/period ended 31st December, 2016. 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 31st December, 2016 are attached herewith.

The Board Meeting concluded at 7.45 PM.

This is for your information, record and necessary action.

Thanking You,

For AGC Networks Limited

P.R.Bhanushali

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

Walker Chandiok & Co LLP

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Review Report on Quarterly Consolidated Financial Results and Consolidated Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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 (the Company and its subsidiaries together referred to as "the Group") for the quarter ended 31 December 2016 and year to date results for the period 1 April 2016 to 31 December 2016. 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 Engagement (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 8 to the Statement, during the year ended 31 March 2015, the Company had recognised sale of two properties having aggregate carrying value of Rs. 0.74 crores and Rs. 0.35 crores, respectively, and profit on such sale amounting to Rs. 40.85 crores and Rs. 5.19 crores (net of incidental selling expenses amounting to Rs. 3.04 crores and Rs. 0.35 crores), respectively, under 'exceptional items'. In our opinion, since the significant risks and rewards for the said properties were not transferred, recognition of such sale and the accounting treatment followed by the Company is not in accordance with the principles laid under Accounting Standard (AS) 9 'Revenue Recognition' and AS 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies' as notified under the Companies (Accounting Standards) Rules 2006 (as amended) and should have been reversed. Our audit/review reports on the financial statements/financial results of all the corresponding periods upto 31 March 2016 were qualified in respect of this matter. Further, during the month of April 2016, the Company transferred significant risks and rewards in respect of one of the said properties having a carrying value of Rs. 0.35 crores. Accordingly in our opinion,

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS * MUMBAI sale of this property should have been recognized during the quarter ended 30 June 2016 and nine months ended 31 December 2016. Hence our review report for quarter ended 30 June 2016 and nine months ended 31 December 2016 was/is qualified to this extent. With respect to the other property having carrying value of Rs. 0.74 crores, our review reports on the financial results for the quarter ended 30 September 2016 and the quarter and nine months ended 31 December 2016 continues to be qualified.

Had the Company followed the principles of AS 9 and AS 5 for the quarter and nine months ended 31 December 2016, the prior period expenses would have been higher by Rs. 40.85 crores for the quarter ended 31 December 2016 and Rs. 46.04 crores for the nine months ended on that date (30 September 2016: Rs. 40.85 crores; 31 March 2016 and 31 December 2015: Rs. 46.04 crores each) and profit on sale of property would have been higher by Rs. Nil for the quarter ended 31 December 2016 and Rs. 5.19 crores for the nine months ended on that date (30 September 2016: Nil); profit before tax for the quarter and nine months ended 31 December 2016 would have been lower by Rs. 40.85 crores (30 September 2016: Rs. 40.85 crores) and loss before tax for the quarter and nine months ended 31 December 2015 and year ended 31 March 2016 would have been higher by Rs. 46.04 crores each; tax expenses for the quarter and nine months ended 31 December 2016 would have been lower by Rs. 3.27 crores (30 September 2016, 31 March 2016 and 31 December 2015: Rs. 3.27 crores each).

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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Walker Chandiok & Co LLP

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

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

Place: Mumbai
Date: 9 February 2017

AGC Accelerating Business

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 / NINE MONTHS ENDED 31 DECEMBER 2016

Rs. in Crore

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		Unaudited			Unaudited		Audited
		31/12/2016	30/09/2016	31/12/2015	31/12/2016	31/12/2015	31/03/2016
1	(a) Gross sales/Income from operations	183.90	195.70	235.50	580.52	660.61	878.94
	(b) Other operating income (Refer note 5)	1.71	0.14	0.25	7.26	3.05	3.82
	Total income from operations	**185.61**	**195.84**	**235.75**	**587.78**	**663.66**	**882.76**
2	**Expenses**						
	a) Cost of materials consumed	-	0.70	3.01	2.76	7.02	8.51
	b) Purchase of stock-in-trade	51.30	90.06	113.08	218.83	284.77	362.84
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	9.17	(9.37)	(9.05)	(1.08)	(10.36)	1.90
	d) Service charge	52.13	45.20	49.49	146.44	152.80	200.92
	e) Employee benefits expense	44.90	50.18	51.42	143.16	149.81	200.18
	f) Depreciation and amortisation expense (Refer note 4)	1.55	1.55	2.03	5.04	6.41	8.50
	g) Other expenses	17.93	17.51	24.66	56.55	71.22	102.73
	Total expenses	**176.98**	**195.83**	**234.64**	**571.70**	**661.67**	**885.58**
3	**(Loss)/Profit from operations before other income, finance costs and exceptional items (1-2)**	**8.63**	**0.01**	**1.11**	**16.08**	**1.99**	**(2.82)**
4	Other income	1.34	0.51	1.08	2.06	5.26	5.51
5	**(Loss)/Profit from ordinary activities before finance costs and exceptional items (3+4)**	**9.97**	**0.52**	**2.19**	**18.14**	**7.25**	**2.69**
6	Finance costs	7.72	6.67	6.56	20.43	19.34	26.68
7	**(Loss)/Profit from ordinary activities after finance costs but before exceptional items (5-6)**	**2.25**	**(6.15)**	**(4.37)**	**(2.29)**	**(12.09)**	**(23.99)**
8	Exceptional items - expenses / (income) (Refer note 6)	-	(9.50)	-	(9.50)	(1.64)	(1.64)
9	**(Loss)/Profit from ordinary activities before tax (7-8)**	**2.25**	**3.35**	**(4.37)**	**7.21**	**(10.45)**	**(22.35)**
10	Tax expense						
	- Current tax	-	1.26	0.26	1.31	1.47	4.66
	- Tax adjustments relating to earlier years (Refer note 9)	-	(0.82)	-	(0.82)	9.65	7.58
11	**Net (Loss)/Profit from ordinary activities after tax (9-10)**	**2.25**	**2.91**	**(4.63)**	**6.72**	**(21.57)**	**(34.59)**
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	**Net (Loss)/Profit for the period (11-12)**	**2.25**	**2.91**	**(4.63)**	**6.72**	**(21.57)**	**(34.59)**
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)**	**2.25**	**2.91**	**(4.63)**	**6.72**	**(21.57)**	**(34.59)**
17	Paid-up equity share capital (face value of Rs. 10 each)	28.47	28.47	28.47	28.47	28.47	28.47
18	Reserves excluding Revaluation Reserves as per balance sheet of the previous accounting year	-	-	-	-	-	25.16
19	Earnings per share of Rs. 10/- each (not annualised):						
	Basic and Diluted (in Rs.)	0.79	1.02	(1.63)	2.36	(7.58)	(12.15)

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Notes:

1) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 9 February 2017. The statutory auditors have carried out a limited review of the above results.

2) AGC Networks Limited ("the Company") and its subsidiaries operate in one business segment i.e. Enterprise Communication Solutions and Integration, which is considered as the primary reporting segment.

3) New entity AGCN Solutions Pte. Ltd has been incorporated on 18 November 2016 at Singapore which is 100% subsidiary of AGC Networks Australia Pty Ltd

4) During the quarter ended 30 June 2016, the management based on an internal technical evaluation reassessed the remaining useful lives of certain plant and equipment with effect from 1 April 2016. Accordingly the useful lives of such plant and equipment have been revised from 3 - 5 years to 15 years

Had the company continued with the previously assessed useful lives, depreciation expense for the quarter and nine months ended 31 December 2016 would have been higher by Rs 0.53 Crore and 1.60 Crore respectively. Further the revision of the useful lives will result in the following changes in the depreciation expense as compared to depreciation expense based on earlier useful lives.

Rs in Crore

Financial Years	(Decrease) / Increase in depreciation expense
2016-17	(2.15)
2017-18	(2.12)
2018-19	(1.61)
Post 2019	5.88

5) Includes Provision for doubtful debts made in earlier year, no longer required of Rs. 3.88 Crore (net) written back during the quarter ended 30 June 2016.

6) **Exceptional items:**
i) For the quarter ended 30 September 2016 and nine months ended 31 December 2016 represents liability towards rent pertaining to earlier years, reversed on account of settlement with the lessor.
ii) For the nine months ended 31 December 2015 and year ended 31 March 2016 represents interest income recognised on sale consideration receivable from the buyer towards assignment of properties situated at Gandhinagar.

7) 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 subsidiaries 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.
AGC Networks and Cyber Solutions, Kenya (w.e.f. 11 August 2016)
AGCN Solutions Pte. Ltd (w.e.f. 18 November 2016)

8) 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 Rs. 50.52 Crore. During the year ended 31 March 2016, the lender to whom these assets were provided as security provided its in-principle approval for the said transfer subject to fulfilment of conditions stated therein. The said transfer was pending approval from the relevant government authority and transfer of legal title upto 31 March 2016, that are considered to be procedural in nature. Accordingly the Company had recognised profit on sale of Fixed Assets of Rs. 46.04 Crore (net of incidental expenses Rs. 3.39 Crore) during the year ended 31 March 2015. During the previous year ended 31 March 2016 the Company has received approval from the lender for sale of one of the property sold for consideration of Rs. 5.89 Crore and also realised part consideration of Rs. 3.20 Crore from the buyer. During April 2016, approval from the requisite authorities has also been received for one of the properties for which sale deed had been executed between the Company and the buyer for transfer of legal title during that month. The Company had applied for requisite approval for the balance properties which are still awaited as of date. The statutory auditors of the Company have qualified their audit reports / review reports on the financial statements/ financial results of all the corresponding periods presented upto 31 December 2016 in respect of this matter

9) **Tax adjustments relating to earlier years:**
(a) For the quarter ended 30 September 2016 and nine months ended 31 December 2016 represents provision made in earlier year, no longer required relating to Australia subsidiary.
(b) For the nine months ended 31 December 2015 and year ended 31 March 2016 represents provision for with-holding tax credits for earlier years relating to the Singapore subsidiary.

10) On 1 June 2015, AGC Networks, Inc. acquired the assets and liabilities vide Assets Purchase Agreement (APA) entered into with Ensource Inc. The acquisition was completely funded through internal operating funds and AGC Networks, Inc. paid purchase consideration of Rs. 3.09 crore to acquire Net liabilities of Rs. 8.42 Crore, which resulted in the goodwill of Rs. 11.51 Crore

11) 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

SANJEEV VERMA
WHOLE-TIME DIRECTOR
DIN: 06871685

Place: Mumbai
Date : 9 February 2017
CIN : L32200MH1986PLC040652

WALKER CHANDIOK & Co LLP
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Review Report on Quarterly Standalone Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of AGC Networks Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results ("the Statement") of **AGC Networks Limited** ("the Company") for the quarter ended 31 December 2016 and year to date results for the period 1 April 2016 to 31 December 2016. 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 Engagement (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 to the Statement, during the year ended 31 March 2015, the Company had recognised sale of two properties having aggregate carrying value of Rs. 0.74 crores and Rs. 0.35 crores, respectively, and profit on such sale amounting to Rs. 40.85 crores and Rs. 5.19 crores (net of incidental selling expenses amounting to Rs. 3.04 crores and Rs. 0.35 crores), respectively, under 'exceptional items'. In our opinion, since the significant risks and rewards for the said properties were not transferred, recognition of such sale and the accounting treatment followed by the Company is not in accordance with the principles laid under Accounting Standard (AS) 9 'Revenue Recognition' and AS 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies' as notified under the Companies (Accounting Standards) Rules 2006 (as amended) and should have been reversed. Our audit/review reports on the financial statements/financial results of all the corresponding

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periods upto 31 March 2016 were qualified in respect of this matter. Further, during the month of April 2016, the Company transferred significant risks and rewards in respect of one of the said property having a carrying value of Rs. 0.35 crores. Accordingly in our opinion, sale of this property should have been recognized during the quarter ended 30 June 2016 and nine months ended 31 December 2016. Hence our review report for quarter ended 30 June 2016 and nine months ended 31 December 2016 was/is qualified to this extent. With respect to the other property having carrying value of Rs. 0.74 crores, our review reports on the financial results for the quarter ended 30 September 2016 and the quarter and nine months ended 31 December 2016 continues to be qualified.

Had the Company followed the principles of AS 9 and AS 5 for the quarter and nine months ended 31 December 2016, the prior period expenses would have been higher by Rs. 40.85 crores for the quarter ended 31 December 2016 and Rs. 46.04 crores for the nine months ended on that date (30 September 2016: Rs. 40.85 crores; 31 March 2016 and 31 December 2015: Rs. 46.04 crores each) and profit on sale of property would have been higher by Rs. Nil for the quarter ended 31 December 2016 and Rs. 5.19 crores for the nine months ended on that date (30 September 2016: Nil); loss before tax would have been higher by Rs. 40.85 crores for the quarter and nine months ended 31 December 2016 (30 September 2016: Rs. 40.85 crores; 31 March 2016 and 31 December 2015: Rs. 46.04 crores each); tax expenses for the quarter and nine months ended 31 December 2016 would have been lower by Rs. 3.27 crores (30 September 2016, 31 March 2016 and 31 December 2015 Rs. 3.27 crores each);

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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Walker Chandiok & Co LLP

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

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

Place: Mumbai
Date: 9 February 2017

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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 UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / NINE MONTHS ENDED 31 DECEMBER 2016

Rs. in Crore

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		Unaudited			Unaudited		Audited
		31/12/2016	30/09/2016	31/12/2015	31/12/2016	31/12/2015	31/03/2016
1	(a) Gross sales/Income from operations	59.99	54.96	80.53	182.96	236.76	312.78
	(b) Other operating income	2.10	0.80	0.23	3.82	1.02	1.79
	Total income from operations	**62.09**	**55.76**	**80.76**	**186.78**	**237.78**	**314.57**
2	**Expenses**						
	a) Cost of materials consumed	-	0.70	3.01	2.76	7.02	8.51
	b) Purchase of stock-in-trade	13.69	28.03	37.84	70.86	101.38	138.22
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	7.81	(7.12)	(1.17)	(0.47)	3.51	3.29
	d) Service charge	20.91	18.83	17.55	54.17	58.24	77.03
	e) Employee benefits expense (net)	11.71	12.70	12.52	34.55	34.90	45.83
	f) Depreciation and amortisation expense (Refer note 3)	0.57	0.56	1.36	1.91	3.96	5.23
	g) Other expenses	9.69	11.12	13.46	33.44	38.27	57.56
	Total expenses	**64.38**	**64.82**	**84.57**	**197.22**	**247.28**	**335.67**
3	**(Loss)/Profit from operations before other income, finance costs and exceptional items (1-2)**	**(2.29)**	**(9.06)**	**(3.81)**	**(10.44)**	**(9.50)**	**(21.10)**
4	Other income	1.66	1.08	0.96	3.20	5.66	6.85
5	**(Loss)/Profit from ordinary activities before finance costs and exceptional items (3+4)**	**(0.63)**	**(7.98)**	**(2.85)**	**(7.24)**	**(3.84)**	**(14.25)**
6	Finance costs	5.75	5.78	5.82	16.73	17.73	24.10
7	**(Loss)/Profit from ordinary activities after finance costs but before exceptional items (5-6)**	**(6.38)**	**(13.76)**	**(8.67)**	**(23.97)**	**(21.57)**	**(38.35)**
8	Exceptional items - expenses / (income) (Refer note 5)	-	(9.50)	-	(9.50)	(1.64)	(1.64)
9	**(Loss)/Profit from ordinary activities before tax (7-8)**	**(6.38)**	**(4.26)**	**(8.67)**	**(14.47)**	**(19.93)**	**(36.71)**
10	Tax expense						
	- Current tax	-	-	-	-	-	-
	- Tax adjustments relating to earlier years	-	-	-	-	-	-
11	**Net (Loss)/Profit from ordinary activities after tax (9-10)**	**(6.38)**	**(4.26)**	**(8.67)**	**(14.47)**	**(19.93)**	**(36.71)**
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-
13	**Net (Loss)/Profit for the period (11-12)**	**(6.38)**	**(4.26)**	**(8.67)**	**(14.47)**	**(19.93)**	**(36.71)**
14	Paid-up equity share capital (face value of Rs. 10 each)	28.47	28.47	28.47	28.47	28.47	28.47
15	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	28.54
16	Earnings per share of Rs. 10/- each (not annualised):						
	Basic and Diluted (in Rs.)	(2.24)	(1.49)	(3.05)	(5.08)	(7.00)	(12.90)

WALKER CHANDIOK & Co LLP * CHARTERED ACCOUNTANTS * MUMBAI

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Notes:

1) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 9 February 2017. The statutory auditors have carried out a limited review of the above results.

2) The Company operates in one business segment i.e., Enterprise Communication Solutions and Integration, which is considered as the primary reporting segment.

3) During the quarter ended 30 June 2016, the management based on an internal technical evaluation reassessed the remaining useful lives of certain plant and equipment with effect from 1 April 2016. Accordingly the useful lives of such plant and equipment have been revised from 3 - 5 years to 15 years.

Had the company continued with the previously assessed useful lives, depreciation expense for the quarter and nine months ended 31 December 2016 would have been higher by Rs. 0.53 Crore and 1.60 Crore respectively. Further the revision of the useful lives will result in the following changes in the depreciation expense as compared to depreciation expense based on earlier useful lives.

Rs in Crore

Financial Years	(Decrease) / Increase in depreciation expense
2016-17	(2.15)
2017-18	(2.12)
2018-19	(1.61)
Post 2019	5.88

4) 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 Rs. 50.52 Crore. During the year ended 31 March 2016, the lender to whom these assets were provided as security provided its in-principle approval for the said transfer subject to fulfilment of conditions stated therein. The said transfer was pending approval from the relevant government authority and transfer of legal title, upto 31 March 2016, that are considered to be procedural in nature. Accordingly the Company had recognised profit on sale of Fixed Assets of Rs. 46.04 Crore (net of incidental expenses Rs. 3.39 Crore) during the year ended 31 March 2015. During the previous year ended 31 March 2016 the Company has received approval from the lender for sale of one of the property sold for consideration of Rs. 5.89 Crore and also realised part consideration of Rs. 3.20 Crore from the buyer. During April 2016, approval from the requisite authorities has also been received for one of the properties for which sale deed had been executed between the Company and the buyer for transfer of legal title during that month. The Company had applied for requisite approval for the balance properties which are still awaited as of date. The statutory auditors of the Company have qualified their audit reports / review reports on the financial statements/ financial results of all the corresponding periods presented upto 31 December 2016 in respect of this matter.

5) **Exceptional Items:**
i) For the quarter ended 30 September 2016 and nine months ended 31 December 2016 represents liability towards rent pertaining to earlier years, reversed on account of settlement with the lessor.
ii) For the nine months ended 31 December 2015 and year ended 31 March 2016 represents interest income recognised on sale consideration receivable from the buyer towards assignment of properties situated at Gandhinagar.

6) 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

SANJEEV VERMA
WHOLE-TIME DIRECTOR
DIN: 06871685

Place: Mumbai
Date : 9 February 2017
CIN : L32200MH1986PLC040652

WALKER CHANDIOK & Co LLP
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