

## 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/SIX MONTHS ENDED 30 SEPTEMBER 2017

Rs. in Crore

Sr. No.	Particulars	Quarter ended			Six months ended	
		Unaudited			Unaudited	
		30/09/2017	30/06/2017	30/09/2016 (Refer Note 3)	30/09/2017	30/09/2016 (Refer Note 3)
1	(a) Revenue from operations (inclusive of excise duty)	172.22	157.69	195.84	329.91	402.35
	(b) Other income	1.62	3.05	0.70	4.67	1.12
	<b>Total income</b>	<b>173.84</b>	<b>160.74</b>	<b>196.54</b>	<b>334.58</b>	<b>403.47</b>
2	<b>Expenses</b>					
	a) Cost of materials consumed	0.06	0.58	0.70	0.64	2.76
	b) Purchase of stock-in-trade	47.50	76.67	90.06	124.17	167.53
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	9.04	(23.47)	(9.37)	(14.43)	(10.25)
	d) Service charges	48.48	44.12	45.20	92.60	94.31
	e) Employee benefits expense (net)	49.91	42.94	50.46	92.65	98.08
	f) Finance costs	6.79	6.08	6.99	12.87	13.33
	g) Depreciation and amortisation expense (Refer note 6)	1.94	1.93	1.55	3.87	3.49
	h) Other expenses	14.50	20.24	17.73	34.74	39.07
	<b>Total expenses</b>	<b>178.22</b>	<b>169.09</b>	<b>203.32</b>	<b>347.31</b>	<b>408.32</b>
3	<b>(Loss)/Profit before exceptional items and tax (1-2)</b>	<b>(4.38)</b>	<b>(8.35)</b>	<b>(6.78)</b>	<b>(12.73)</b>	<b>(4.85)</b>
4	Exceptional items - expenses / (income) (Refer note 7)	(7.06)	(12.08)	(9.50)	(19.14)	(9.50)
5	<b>(Loss)/Profit before tax (3-4)</b>	<b>2.68</b>	<b>3.73</b>	<b>2.72</b>	<b>6.41</b>	<b>4.65</b>
6	Tax expense					
	- Current tax	1.41	2.31	1.26	3.72	1.31
	- (Excess) / Short provision for tax	-	-	(0.82)	-	(0.82)
7	<b>Net (Loss)/Profit for the period (5-6)</b>	<b>1.27</b>	<b>1.42</b>	<b>2.28</b>	<b>2.69</b>	<b>4.16</b>
8	Other Comprehensive Income / (loss)	(0.02)	(0.28)	(0.14)	(0.30)	0.20
9	<b>Total Comprehensive income for the period (7+8)</b>	<b>1.25</b>	<b>1.14</b>	<b>2.14</b>	<b>2.39</b>	<b>4.36</b>
10	Paid-up equity share capital (face value of Rs. 10 each)	28.47	28.47	28.47	28.47	28.47
11	Earnings per share of Rs. 10/- each (not annualised):					
	Basic (in Rs.)	0.44	0.40	0.75	0.84	1.53
	Diluted (in Rs.)	0.44	0.40	0.75	0.83	1.53



## Statement of Assets and Liabilities

Rs. in Crore

Particulars	Consolidated
	(Unaudited)
	30/09/2017
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	21.51
Goodwill	84.08
Intangible assets	6.04
Financial assets	
Trade receivables	0.32
Loans	11.72
Other non-current financial assets	0.98
Income tax assets (net)	53.77
Other non-current assets	9.61
<b>Total non-current assets</b>	<b>188.03</b>
<b>Current assets</b>	
Inventories	33.20
Financial assets	
Trade receivables	192.24
Cash and cash equivalents	18.18
Other bank balance	3.50
Loans	10.30
Other financial assets	51.64
Other current assets	90.30
<b>Total current assets</b>	<b>399.36</b>
<b>TOTAL ASSETS</b>	<b>587.39</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
Equity share capital	28.47
Other equity	44.16
<b>Total equity</b>	<b>72.63</b>
<b>Liabilities</b>	
<b>Non-current liabilities</b>	
Financial liabilities	
Borrowings	1.03
Other financial liabilities	8.70
Provisions	10.76
Other non-current liabilities	12.26
<b>Total non-current liabilities</b>	<b>32.75</b>
<b>Current liabilities</b>	
<b>Financial liabilities</b>	
Borrowings	168.11
Trade payables	137.33
Other financial liabilities	34.82
Provisions	4.85
Other current liabilities	136.90
<b>Total current liabilities</b>	<b>482.01</b>
<b>Total Equity and Liabilities</b>	<b>587.39</b>



**Notes:**

- 1) Results for the quarter/six months ended 30 September 2017 have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" and as notified by the Ministry of Corporate Affairs, which are applicable to the Company for the accounting periods beginning on or after 1 April 2017. Consequently, results for the corresponding quarter/six months ended 30 September 2016 have been recasted as per the requirements of the said notification, to comply with Ind AS and make them comparable.
- 2) These financial results do not include Ind-AS compliant results for the year ended 31 March 2017, as the same are not mandatory as per SEBI's circular dated 5 July 2016
- 3) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 9 November 2017. The statutory auditors of the Company have carried out the limited review of the results for the quarter/six months ended 30 September 2017. The Ind AS compliant financial results, pertaining to corresponding quarter/six months ended 30 September 2016 have not been subject to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provided true and fair view of its affairs for comparison purposes.
- 4) Reconciliation of net profit as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter and six months ended 30 September 2016:

Particulars	Rs. in Crore	
	Quarter ended	Six months ended
	Unaudited 30/09/2016	Unaudited 30/09/2016
Net Profit for the period as per previous Indian GAAP	2.91	4.47
Finance cost recognised on fair valuation of financial liabilities	(0.32)	(0.62)
Impact on fair valuation of Employee Stock Option Plan	0.02	0.16
Actuarial (gain)/loss on employee defined benefit plans accounted under OCL	(0.30)	0.20
Interest income recognised on fair valuation of financial assets	0.19	0.36
Rent and other expenses recognised on fair valuation of security deposits	(0.22)	(0.41)
<b>Net Profit for the period as per Ind AS</b>	<b>2.28</b>	<b>4.16</b>

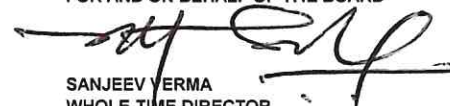
- 5) AGC Networks L.L.C. incorporated on 6 June 2017 at Abu Dhabi is a 100% subsidiary of AGC Networks Pte Limited, Singapore.
- 6) During the quarter ended 30 June 2016, based on an internal technical evaluation, the management reassessed the remaining useful lives of certain plant and equipment with effect from 1 April 2016. Accordingly the useful lives of such plant and equipment have been revised from 3 to 5 years to 15 years.

Had the Company continued with the previously assessed useful lives, depreciation expense would have been higher by Rs. 0.53 Crores for the quarters ended 30 September 2017 and 30 June 2017 respectively and higher by Rs. 1.06 Crores for six months ended 30 September 2017. Further the revision of the useful lives will result in the following changes in depreciation expense as compared to depreciation expense based on earlier useful lives.

Financial Years	Rs. in Crore	
	(Decrease) / Increase in depreciation expense	
2017-18		(1.06)
2018-19		(1.61)
Post 2019		5.88

- 7) **Exceptional Items:**
  - i. For the quarter ended 30 September 2017 includes :
    - (a) Rs. 5.21 crores on account of reversal of rent liability pertaining to earlier years, as a result of settlement with the lessor; and
    - (b) Rs. 1.85 crores on account of interest income on sale consideration receivable from the buyer towards assignment of properties situated at Gandhinagar.
  - ii. For the six months ended 30 September 2017 includes :
    - (a) Rs. 5.21 crores on account of reversal of rent liability pertaining to earlier years, as a result of settlement with the lessor;
    - (b) Rs. 1.85 crores on account of interest income on sale consideration receivable from the buyer towards assignment of properties situated at Gandhinagar; and
    - (c) Rs. 12.08 crores reversal of inventory provisions made in earlier years to reflect lower of cost and net realisable value. The Company has entered into an agreement with the buyer for sale of these inventories.
  - iii. For the quarter ended 30 June 2017 represents reversal of inventory provisions made in earlier years to reflect lower of cost and net realisable value. The Company has entered into an agreement with the buyer for sale of these inventories.
  - iv. For the quarter and six months ended 30 September 2016 represents reversal of rent liability pertaining to earlier years, as a result of settlement with the lessor.
- 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 Crores. During April 2015, the lender to whom these assets were provided as security provided its in-principal 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 that were considered to be procedural in nature. Accordingly, the Company had recognized profit on sale of property, plant and equipment of Rs. 46.04 Crores (net of incidental expenses Rs. 3.39 Crores) during the year ended 31 March 2015. During the year ended 31 March 2016, the Company received approval from the lender for sale of one of the property sold for consideration of Rs. 5.89 crores and also realized part consideration of Rs. 3.20 crores from the buyer. During April 2016, approval from the requisite authorities have also been received and sale deed has been executed between the Company and the buyer for transfer of legal title for one of the property. The Company has also obtained the requisite approvals for the other property and during the quarter ended 30 June 2017 has realized further consideration of Rs. 13.50 Crores. The sale deed for the other property will be executed on simultaneous settlement of balance consideration by the buyer.
- 9) The statement of consolidated results are prepared in accordance with the requirements of Ind AS 110 – 'Consolidated Financial Statements' specified under Section 133 of the Companies Act, 2013.  
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 Limited, Kenya (w.e.f. 11 August 2016)  
AGCN Solutions Pte. Limited (w.e.f. 18 November 2016)  
AGC Networks L.L.C., Dubai (w.e.f. 13 February 2017)  
AGC Networks L.L.C., Abu Dhabi (w.e.f. 6 June 2017)
- 10) At the meeting of Board of Directors of the Company held on 29 April 2017, it was resolved to approve and pay interim dividend of Re. 1/- per preference share having nominal value of Rs. 100 each at their coupon rate.
- 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 YERMA  
WHOLE-TIME DIRECTOR  
DIN: 06871685

Place: Mumbai  
Date : 9 November 2017  
CIN : L32200MH1986PLC040652



## 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 SEGMENTAL INFORMATION FOR THE QUARTER/SIX MONTHS ENDED 30 SEPTEMBER 2017

(Rs. in Crore)

Sr. No.	Particulars	Quarter ended			Six months ended	
		30/09/2017	30/06/2017	30/09/2016	30/09/2017	30/09/2016
<b>1</b>	<b>Segment Revenue</b>					
	India	65.33	61.29	55.76	126.62	124.87
	USA	62.29	56.73	77.48	119.02	142.45
	Rest of the world	46.27	45.73	62.94	92.00	140.43
	<b>Total</b>	<b>173.89</b>	<b>163.75</b>	<b>196.18</b>	<b>337.64</b>	<b>407.75</b>
	Less: Inter-segment	(1.67)	(6.06)	(0.34)	(7.73)	(5.40)
	<b>Revenue from operations (inclusive of excise duty)</b>	<b>172.22</b>	<b>157.69</b>	<b>195.84</b>	<b>329.91</b>	<b>402.35</b>
Revenue includes : Rs. 46.73 Crores and Rs. 106.62 Crores for six months ended 30 September 2017 and 30 September 2016 respectively, Rs. 22.92 Crores, Rs. 23.81 Crores and Rs. 45.75 Crores for the quarters ended 30 September 2017, 30 June 2017 and 30 September 2016 respectively for Singapore entity within rest of the world in the above table. Revenue Includes : Rs. 16.49 Crores and Rs. Nil for six months ended 30 September 2017 and 30 September 2016 respectively, Rs. 8.53 Crores, Rs. 7.96 Crores and Rs. Nil for the quarters ended 30 September 2017, 30 June 2017 and 30 September 2016 respectively for Dubai LLC entity within rest of the world in the above table.						
<b>2</b>	<b>Segment results profit / (loss) before tax and interest</b>					
	India	4.84	4.14	(8.28)	8.98	(6.30)
	USA	1.02	(1.26)	4.45	(0.24)	8.19
	Rest of the world	(3.45)	(5.15)	4.04	(8.60)	6.59
	<b>Total</b>	<b>2.41</b>	<b>(2.27)</b>	<b>0.21</b>	<b>0.14</b>	<b>8.48</b>
	Less: Finance cost	(6.79)	(6.08)	(6.99)	(12.87)	(13.33)
	<b>(Loss)/Profit before exceptional items and tax</b>	<b>(4.38)</b>	<b>(8.35)</b>	<b>(6.78)</b>	<b>(12.73)</b>	<b>(4.85)</b>
	Exceptional items - income	7.06	12.08	9.50	19.14	9.50
	<b>Profit before tax</b>	<b>2.68</b>	<b>3.73</b>	<b>2.72</b>	<b>6.41</b>	<b>4.65</b>
Profit / loss includes : Loss before tax of Rs. 16.27 Crores and profit before tax of Rs. 4.59 Crores for six months ended 30 September 2017 and 30 September 2016 respectively, Rs. 6.51 Crores, Rs. 9.76 Crores and Rs. 2.16 Crores for the quarters ended 30 September 2017, 30 June 2017 and 30 September 2016 respectively for Singapore entity within rest of the world in the above table. Profit / loss includes : Profit before tax Rs. 8.90 Crores and Rs. Nil for six months ended 30 September 2017 and 30 September 2016 respectively, Rs. 4.62 Crores, Rs. 4.28 Crores and Rs. Nil for the quarters ended 30 September 2017, 30 June 2017 and 30 September 2016 respectively for Dubai LLC entity within rest of the world in the above table.						
<b>3</b>	<b>Capital employed</b>					
	India	65.97	59.75	56.25	65.97	56.25
	USA	(7.61)	(8.47)	(11.22)	(7.61)	(11.22)
	Rest of the world	14.27	19.97	20.80	14.27	20.80
	<b>Capital employed</b>	<b>72.63</b>	<b>71.25</b>	<b>65.83</b>	<b>72.63</b>	<b>65.83</b>
Capital employed includes : Rs. 5.01 Crores, Rs. 15.46 Crores, Rs. 12.23 Crores is as on 30 September 2017, 30 September 2016 and 30 June 2017 respectively for Singapore entity within rest of the world in the above table. Capital employed includes : Rs. 8.09 Crores, Rs. Nil, Rs. 4.30 Crores is as on 30 September 2017, 30 September 2016 and 30 June 2017 respectively for Dubai LLC within rest of the world in the above table.						
<b>4</b>	<b>Segment assets</b>					
	India	328.95	342.92	366.76	328.95	366.76
	USA	178.26	167.35	186.03	178.26	186.03
	Rest of the world	230.10	238.53	224.90	230.10	224.90
	Less: Inter segment	(149.92)	(154.30)	(139.85)	(149.92)	(139.85)
	<b>Total assets</b>	<b>587.39</b>	<b>594.50</b>	<b>637.84</b>	<b>587.39</b>	<b>637.84</b>
Segment assets includes : Rs. 159.69 Crores, Rs. 175.04 Crores, Rs. 184.27 Crores is as on 30 September 2017, 30 September 2016 and 30 June 2017 respectively for Singapore entity within rest of the world in the above table. Segment assets includes : Rs. 17.75 Crores, Rs. Nil, Rs. 8.45 Crores is as on 30 September 2017, 30 September 2016 and 30 June 2017 respectively for Dubai LLC within rest of the world in the above table.						
<b>5</b>	<b>Segment liabilities</b>					
	India	262.98	283.17	310.51	262.98	310.51
	USA	185.87	175.82	197.25	185.87	197.25
	Rest of the world	215.83	218.56	204.10	215.83	204.10
	Less: Inter segment	(149.92)	(154.30)	(139.85)	(149.92)	(139.85)
	<b>Total liabilities</b>	<b>514.76</b>	<b>523.25</b>	<b>572.01</b>	<b>514.76</b>	<b>572.01</b>
	<b>Capital employed</b>	<b>72.63</b>	<b>71.25</b>	<b>65.83</b>	<b>72.63</b>	<b>65.83</b>
Segment liabilities includes : Rs. 154.70 Crores, Rs. 159.58 Crores, Rs. 172.07 Crores is as on 30 September 2017, 30 September 2016 and 30 June 2017 respectively for Singapore entity within rest of the world in the above table. Segment liabilities includes : Rs. 9.66 Crores, Rs. Nil, Rs. 4.15 Crores is as on 30 September 2017, 30 September 2016 and 30 June 2017 respectively for Dubai LLC within rest of the world in the above table.						

**Notes on Segment Information :**

Based on the "management approach" as defined in Ind AS 108 - 'Operating segments', the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on analysis of various performance indicators by geographical region.



**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 / SIX MONTHS ENDED  
30 SEPTEMBER 2017**

Rs. in Crore

Sr. No.	Particulars	Quarter ended			Six months ended	
		Unaudited			Unaudited	
		30/09/2017	30/06/2017	30/09/2016 (Refer Note 3)	30/09/2017	30/09/2016 (Refer Note 3)
1	(a) Revenue from operations (inclusive of excise duty)	65.33	61.29	55.76	126.62	124.87
	(b) Other income	1.40	3.43	1.27	4.83	2.19
	<b>Total income</b>	<b>66.73</b>	<b>64.72</b>	<b>57.03</b>	<b>131.45</b>	<b>127.06</b>
2	<b>Expenses</b>					
	a) Cost of materials consumed	0.06	0.58	0.70	0.64	2.76
	b) Purchase of stock-in-trade	14.09	45.24	28.03	59.33	57.17
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	9.84	(21.99)	(7.12)	(12.15)	(8.28)
	d) Service charge	19.38	17.55	18.83	36.93	33.26
	e) Employee benefits expense (net)	11.64	9.37	12.97	21.01	22.66
	f) Finance costs	5.76	4.95	6.10	10.71	11.60
	g) Depreciation and amortisation expense (Refer note 6)	0.50	0.58	0.56	1.08	1.34
	h) Other expenses	6.38	9.25	11.34	15.63	24.45
	<b>Total expenses</b>	<b>67.65</b>	<b>65.53</b>	<b>71.41</b>	<b>133.18</b>	<b>144.96</b>
3	<b>(Loss)/Profit before exceptional items and tax (1-2)</b>	<b>(0.92)</b>	<b>(0.81)</b>	<b>(14.38)</b>	<b>(1.73)</b>	<b>(17.90)</b>
4	Exceptional items - expenses / (income) (Refer note 8)	(7.06)	(12.08)	(9.50)	(19.14)	(9.50)
5	<b>(Loss)/Profit before tax (3-4)</b>	<b>6.14</b>	<b>11.27</b>	<b>(4.88)</b>	<b>17.41</b>	<b>(8.40)</b>
6	Tax expense					
	- Current tax	-	-	-	-	-
	- (Excess) / Short provision for tax	-	-	-	-	-
7	<b>Net (Loss)/Profit for the period (5-6)</b>	<b>6.14</b>	<b>11.27</b>	<b>(4.88)</b>	<b>17.41</b>	<b>(8.40)</b>
8	Other Comprehensive Income / (loss)	0.03	(0.93)	0.30	(0.90)	(0.20)
9	<b>Total Comprehensive Income / (loss) for the period (7+8)</b>	<b>6.17</b>	<b>10.34</b>	<b>(4.58)</b>	<b>16.51</b>	<b>(8.60)</b>
10	Paid-up equity share capital (face value of Rs. 10 each)	28.47	28.47	28.47	28.47	28.47
11	Earnings per share of Rs. 10/- each (not annualised):					
	Basic (in Rs.)	2.17	3.63	(1.61)	5.80	(3.02)
	Diluted (in Rs.)	2.15	3.60	(1.61)	5.75	(3.02)



## Statement of Assets and Liabilities

Rs. in Crore

Particulars	Standalone
	(Unaudited)
	30/09/2017
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property, plant and equipment	8.51
Intangible assets	1.82
Financial assets	
Investment in subsidiaries	48.72
Trade receivables	0.32
Loans	10.92
Other financial assets	0.98
Income tax assets (net)	51.94
Other non-current assets	9.46
<b>Total non-current assets</b>	<b>132.67</b>
<b>Current assets</b>	
Inventories	23.66
Financial assets	
Trade receivables	87.44
Cash and cash equivalents	0.57
Other bank balances	2.94
Loans	7.52
Other financial assets	39.00
Other current assets	35.15
<b>Total current assets</b>	<b>196.28</b>
<b>TOTAL ASSETS</b>	<b>328.95</b>
<b>EQUITY AND LIABILITIES</b>	
<b>Equity</b>	
Equity share capital	28.47
Other equity	37.50
<b>Total equity</b>	<b>65.97</b>
<b>Liabilities</b>	
<b>Non-current liabilities</b>	
Financial liabilities	
Other financial liabilities	8.70
Provisions	6.16
Other liabilities	5.09
<b>Total non-current liabilities</b>	<b>19.95</b>
<b>Current liabilities</b>	
Financial liabilities	
Borrowings	127.35
Trade payables	63.42
Other financial liabilities	7.74
Provisions	0.58
Other current liabilities	43.94
<b>Total current liabilities</b>	<b>243.03</b>
<b>Total Equity and Liabilities</b>	<b>328.95</b>



**Notes:**

- 1) Results for the quarter/six months ended 30 September 2017 have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting" and as notified by the Ministry of Corporate Affairs, which are applicable to the Company for the accounting periods beginning on or after 1 April 2017. Consequently, results for the corresponding quarter/six months ended 30 September 2016 have been recasted as per the requirements of the said notification, to comply with Ind AS and make them comparable.
- 2) These financial results do not include Ind-AS compliant results for the year ended 31 March 2017, as the same are not mandatory as per SEBI's circular dated 5 July 2016
- 3) The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 9 November 2017. The statutory auditors of the Company have carried out the limited review of the results for the quarter/six months ended 30 September 2017. The Ind AS compliant financial results, pertaining to corresponding quarter/six months ended 30 September 2016 have not been subject to limited review or audit. However, the management has exercised necessary due diligence to ensure that the financial results provided true and fair view of its affairs for comparison purposes.
- 4) Reconciliation of net loss as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter and six months ended 30 September 2016:

Particulars	Rs. in Crore	
	Quarter ended	Six months ended
	Unaudited 30/09/2016	Unaudited 30/09/2016
<b>Net loss for the period as per previous Indian GAAP</b>	<b>(4.26)</b>	<b>(8.09)</b>
Finance cost recognised on fair valuation of financial liabilities	(0.32)	(0.62)
Impact on fair valuation of Employee Stock Option Plan	0.03	0.16
Actuarial (gain)/loss on employee defined benefit plans accounted under OCL	(0.30)	0.20
Interest income recognised on fair valuation of financial assets	0.19	0.36
Rent and other expenses recognised on fair valuation of security deposits	(0.22)	(0.41)
<b>Net loss for the period as per Ind AS</b>	<b>(4.88)</b>	<b>(8.40)</b>

- 5) 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 Crores. During April 2015, the lender to whom these assets were provided as security provided its principal 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 that were considered to be procedural in nature. Accordingly, the Company had recognized profit on sale of property, plant and equipment of Rs. 46.04 Crores (net of incidental expenses Rs. 3.39 Crores) during the year ended 31 March 2015. During the year ended 31 March 2016, the Company received approval from the lender for sale of one of the property sold for consideration of Rs. 5.89 crores and also realized part consideration of Rs. 3.20 crores from the buyer. During April 2016, approval from the requisite authorities have also been received and sale deed has been executed between the Company and the buyer for transfer of legal title for one of the property. The Company has also obtained the requisite approvals for the other property and during the quarter ended 30 June 2017 has realized further consideration of Rs. 13.50 Crores. The sale deed for the other property will be executed on simultaneous settlement of balance consideration by the buyer.

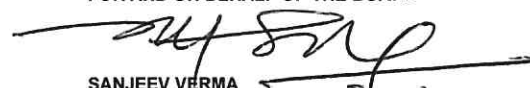
- 6) During the quarter ended 30 June 2016, based on an internal technical evaluation, the management reassessed the remaining useful lives of certain plant and equipment with effect from 1 April 2016. Accordingly the useful lives of such plant and equipment have been revised from 3 to 5 years to 15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

Had the Company continued with the previously assessed useful lives, depreciation expense would have been higher by Rs. 0.53 Crores for the quarters ended 30 September 2017 and 30 June 2017 respectively and higher by Rs. 1.06 Crores for six months ended 30 September 2017. Further the revision of the useful lives will result in the following changes in depreciation expense as compared to depreciation expense based on earlier useful lives.

Financial Years	(Decrease) / Increase in depreciation expense	Rs. in Crore
2017-18		(1.06)
2018-19		(1.61)
Post 2019		5.88

- 7) AGC Networks L.L.C. incorporated on 6 June 2017 at Abu Dhabi is a 100% subsidiary of AGC Networks Pte Limited, Singapore.
- 8) **Exceptional items:**
  - i. For the quarter ended 30 September 2017 includes :
    - (a) Rs. 5.21 crores on account of reversal of rent liability pertaining to earlier years, as a result of settlement with the lessor; and
    - (b) Rs. 1.85 crores on account of interest income on sale consideration receivable from the buyer towards assignment of properties situated at Gandhinagar.
  - ii. For the six months ended 30 September 2017 includes :
    - (a) Rs. 5.21 crores on account of reversal of rent liability pertaining to earlier years, as a result of settlement with the lessor;
    - (b) Rs. 1.85 crores on account of interest income on sale consideration receivable from the buyer towards assignment of properties situated at Gandhinagar; and
    - (c) Rs. 12.08 crores reversal of inventory provisions made in earlier years to reflect lower of cost and net realisable value. The Company has entered into an agreement with the buyer for sale of these inventories.
  - iii. For the quarter ended 30 June 2017 represents reversal of inventory provisions made in earlier years to reflect lower of cost and net realisable value. The Company has entered into an agreement with the buyer for sale of these inventories.
  - iv. For the quarter and six months ended 30 September 2016 represents reversal of rent liability pertaining to earlier years, as a result of settlement with the lessor.
- 9) At the meeting of Board of Directors of the Company held on 29 April 2017, it was resolved to approve and pay interim dividend of Re. 1/- per preference share having nominal value of Rs. 100 each at their coupon rate.
- 10) 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 November 2017  
 CIN : L32200MH1986PLC040652

