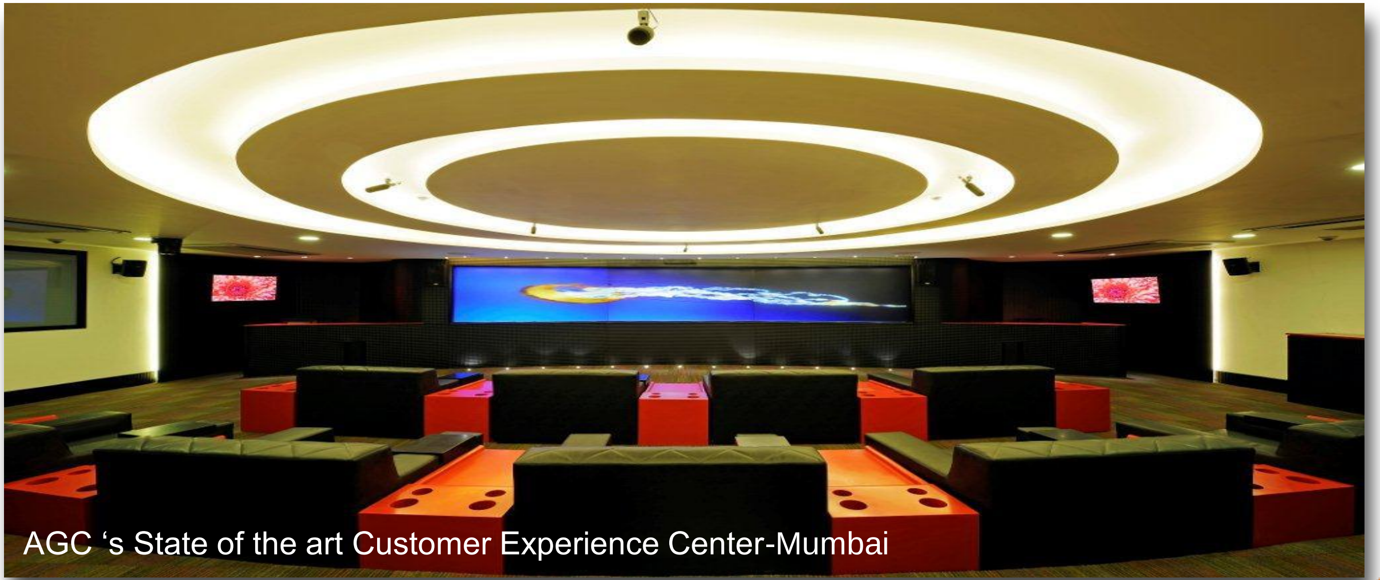


AGC Networks Limited
Annual Results Update FY’12-13

S K Jha
Managing Director and CEO

May 29, 2013

An ESSAR Enterprise

AGC Networks- Enabling Experience

Enabling Experience

1. Financials
2. Industry Analysis Current Trends
3. Business Highlights
4. Growth Strategy
5. Global Footprint

Key Highlights

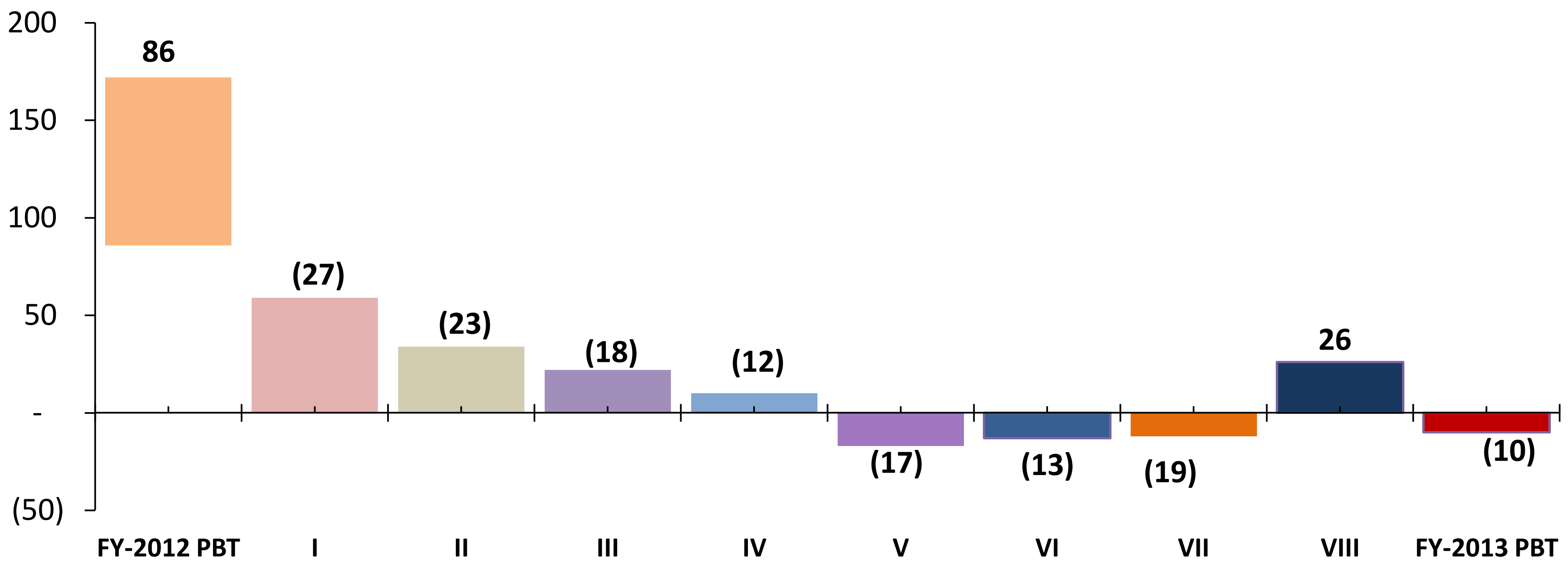
Rs in Crs	Q4 ' 13	Q4 ' 12	FY '13*	FY '13	FY '12
Total Revenue	284	303	**1044**	**1,061**	**998**
Gross Margin	38	83	**238**	**238**	**259**
Gross Margin %	*13%*	*27%*	***23%***	***22%***	***26%***
PBT	-60	35	**16**	**-10**	**86**
PBT %	*-21%*	*12%*	***2%***	***-1%***	***9%***
PAT	-67	24	**3.7**	**-22**	**63.5**
PAT %	*-24%*	*8%*	***0.4%***	***-2%***	***6%***
EPS (in Rs)	-23.7	8.4	**1.31**	**-7.7**	**22.3**

***Financials are after giving effect of the demerger of ,the US Managed Services division**

The additional financial information is to reflect the accounts after giving effect to the demerger retrospectively from April 1st, 2012.

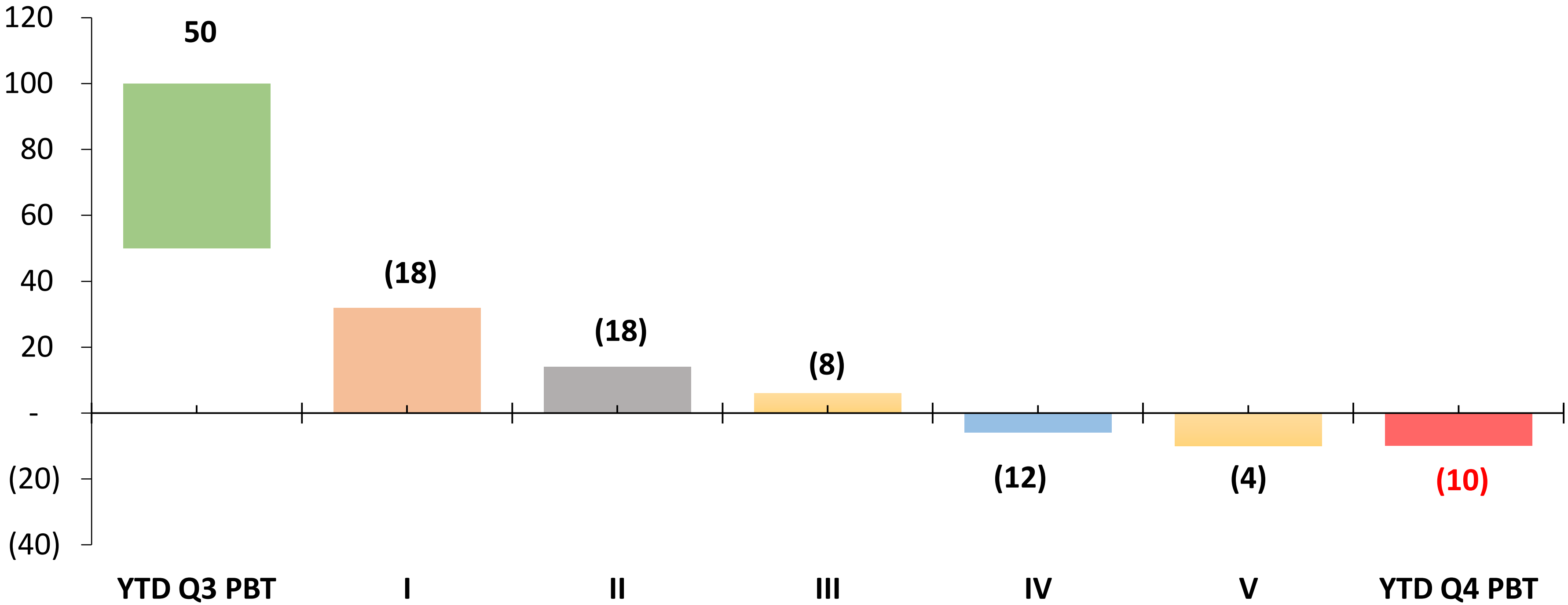
The same was done to ensure focus on the technology services business and to engage with the Managed services business as per pay use model.

YoY Impact on PBT



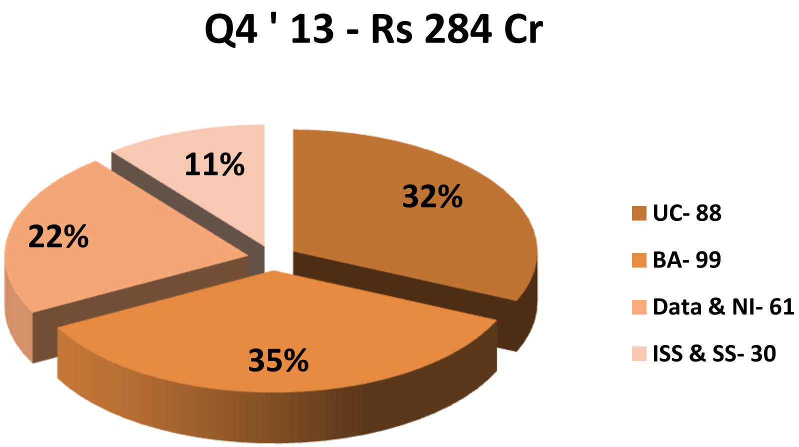
- ***Reason I – Initial Set Up Cost incurred in USA Geography***
- ***Reason II – Provisioning on some accounts of Telecom Industry on account of cancellation of licences***
- ***Reason III – Decline in Service Margins due to change in Product Mix***
- ***Reason IV – Decline in Sales due to long lead time***
- ***Reason V – Increase in Employee Cost and Other Expenses***
- ***Reason VI – Increase in Finance Costs***
- ***Reason VII – Others***
- ***Reason VIII – Exceptional Income – Sale of Shares***

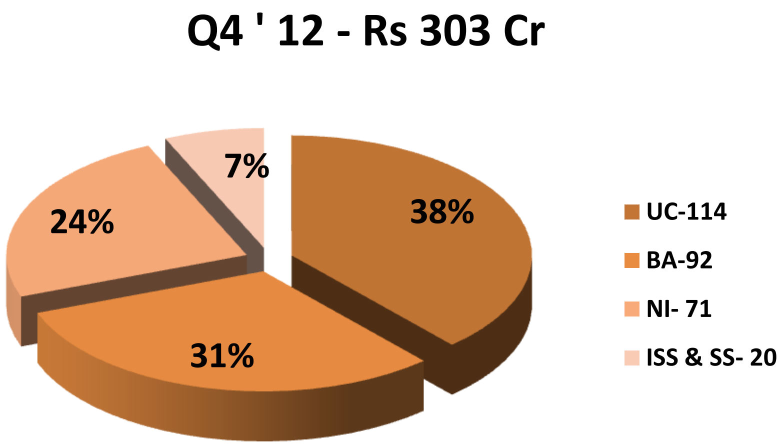
Impact on PBT from YTD Q3 to Q4

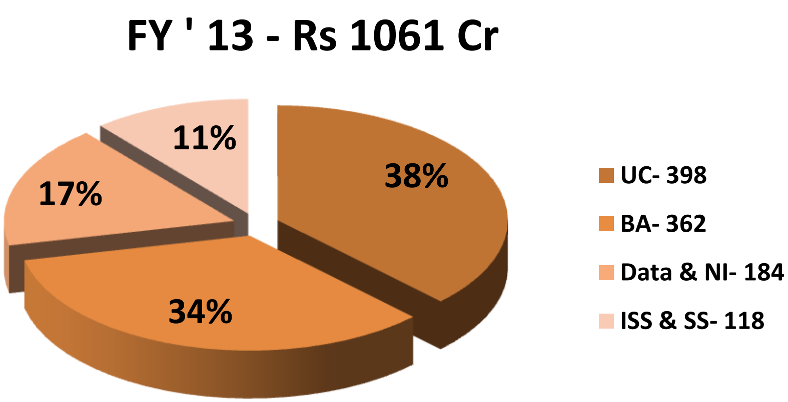


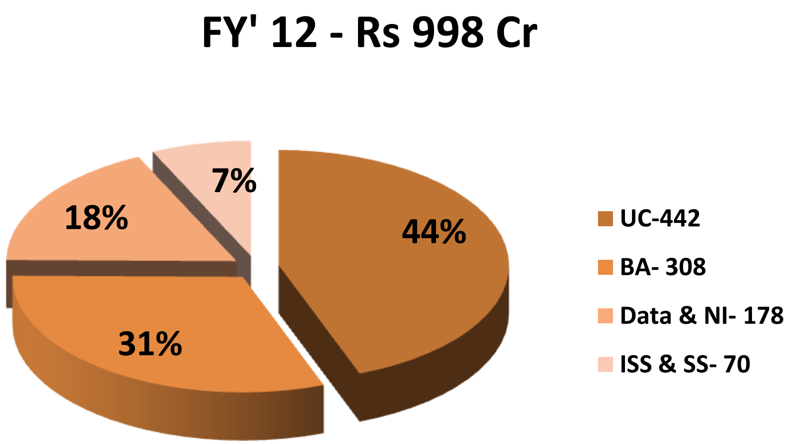
- ***Reason I – Initial Set Up Cost incurred in USA Geography***
- ***Reason II – Provisioning on some accounts of Telecom Industry***
- ***Reason III – Decline in Service Margins due to Market factors***
- ***Reason IV – Decline in Sales due to long lead time***
- ***Reason V - Others***

Quadrant wise Revenue – Q4/FY12-13 *(Rs in Crs)*



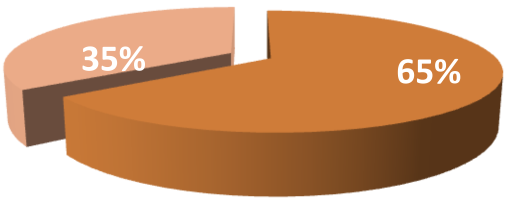






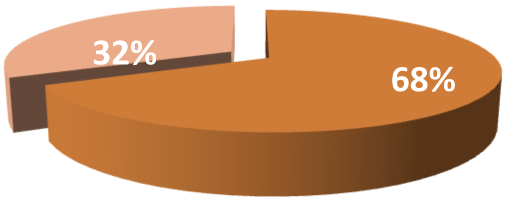
Product & Service Mix – QoQ/YoY Revenue

Q4‘ 13 - Rs 284 Cr



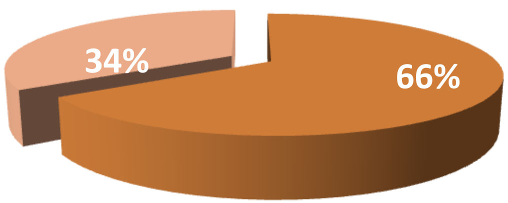
Product- 185 Service- 99

Q4 ‘12 - Rs 303 Cr



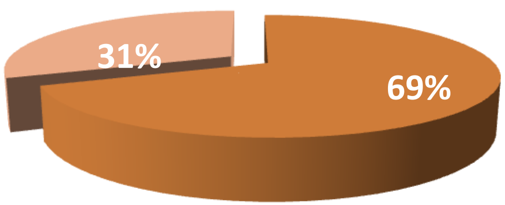
Product- 206 Service- 97

FY '13 - Rs 1061 Cr



Product- 699 Service- 362

FY '12 - Rs 998 Cr



Product- 690 Service- 308

AGC Networks- Enabling Experience

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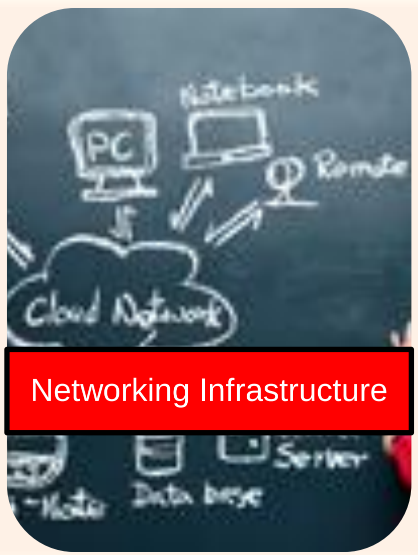
Solutions Quadrant - Integrating value

Industries

BFSI | Mfg. Energy | Travel & Hospitality | Healthcare | IT/ITeS | Telecom | Govt Sector & Defence | SMB Solutions

Solutions


Unified Communications



Networking Infrastructure


Data Centre & Virtualization


Enterprise Applications

Services

Managed Services

Maintenance Services

Outcome Services

Professional Services

Solutions Quadrant - Integrating value

AGC

Industries

BFSI | Mfg. Energy | Travel & Hospitality | Healthcare | IT/ITeS | Telecom | Govt Sector & Defence | SMB Solutions

Solutions

Unified Communications
- IP Communications
- Contact Center
- Video Collaboration & Presence
- Audio Video Integration
- Access Control & Surveillance

Networking Infrastructure
- Switching
- Routing
- Passive
- Wireless

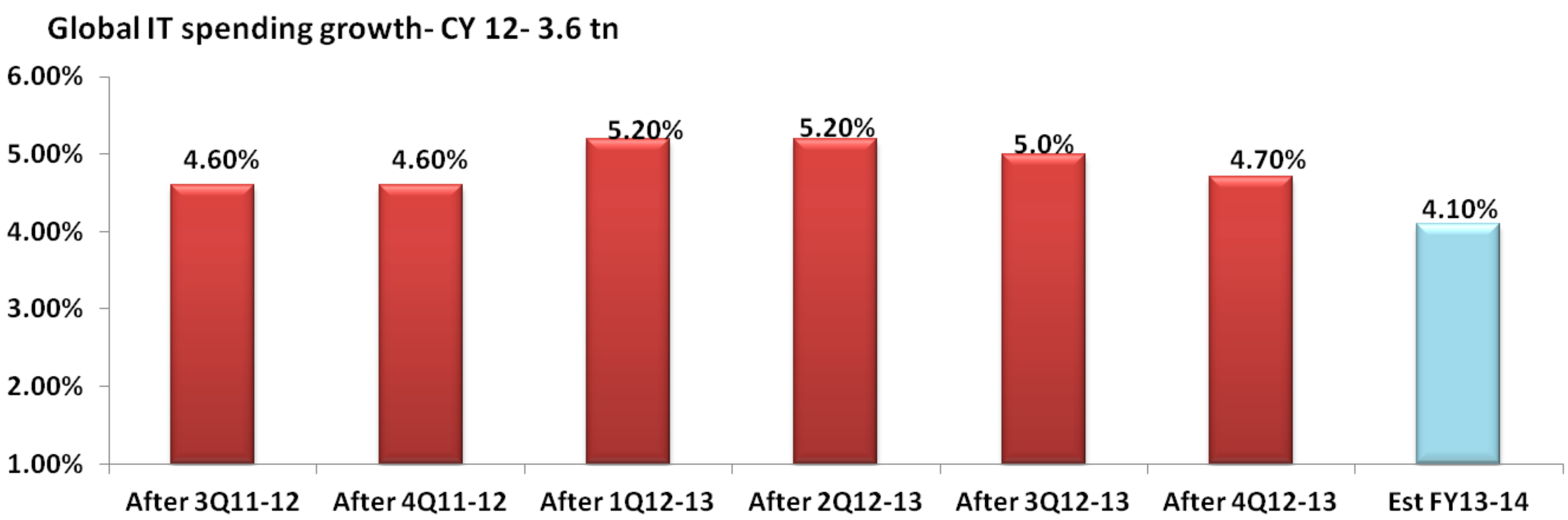
Data Centre & Virtualization
- Enterprise Security
- Computing
- Servers & Storage

Enterprise Applications
- Customer Experience
  - •IVR
  - •CTI
  - •CRM
- Business Applications
  - Oracle

Services

- Managed Services
- Maintenance Services
- Outcome Services
- Professional Services

Current Trends - Industry



Source: Gartner, IIFL Research

Negative Impacts

- **Macro economic environment uncertainty has impacted discretionary IT spending**
- **Projected growth rates are on the lower side. Thus , fewer opportunities to leverage in the market pie**

Positive Impacts(Drivers -to-Change in scenario)

- **Market opportunity for IT SMEs and MSMes should improve given government initiatives such as National Policy on Information Technology in India**
- **Low cost advantage provides Indian Cos opportunities for growth in the international markets of USA, Middle East and Africa**

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Significant Wins -India Business Highlights

BFSI- Cheque Truncation System spanning 20 banks - approx deal value Rs. 160 Crs

- First of its kind breakthrough deal from consortium of 20 leading banks for the CTS (Cheque Truncation System)
- CTS services incl. data center, disaster recovery hosting, hardware, software & facility management
- Solutions to seamlessly integrate with the Core Banking Solution used by the bank
- Spanning CAPEX and OPEX within the data center and virtualization
- Upside extending to all the 20 banks incl. co-operative and Tier II banks in India
- Opportunity for global leverage

Government – Technology Development center – approx deal value Rs. 60 Crs

- Providing data center and disaster recovery infrastructure solutions to a govt. technology development center
- Solutions to integrate critical telecom applications, database, Back up Solutions and Network Infrastructure
- Spanning 16 locations over a 6 year period
- AGC's experience across 4 quadrants - a key enabler for the win

Customer Wins (1/2)

Strictly for internal circulation only

AGC
Enabling Experience

AGC Networks WINS an Integrated Solutions' deal from Hutchison Global Services India

About the Client

Hutchison Global Services (HGS) is one of India's largest international telecom BPOs. Founded and managed by a pool of professionals who have cut their teeth on pioneering 3G technology, HGS offers end-to-end CRM services of THREE (3) in UK, Ireland and in Australia (where they serve Vodafone as well). Their services cover Customer Care, Channel Support, Collections, Value-Added Services, Customer Retention and Technical Support at the other end of the spectrum.

HUTCHISON 3
GLOBAL SERVICES

What solutions was the client looking for?

HGS Call Center were managed on Aspect and Genesys ACD with over 10,000 seats in India and were looking for an Advanced Call Recording and Agent Quality Monitoring with speech analytics solution for customer retention in UK and Ireland as they manage over 5,500 seats out of India for only these markets.These customer care centers are 3's differentiating factors in mobile market.

The need was for an Integrated Solution that could integrate with their existing CTI (based on Aspect and Genesys) and deliver enhanced functionalities like:

- 100% Voice and screen recording
- Agent form evaluation
- Agent desktop analytics
- Speech analytics
- DC & DR redundancy

To achieve

- 360 (degree) view of customer interactions
- Pin point actionable root cause of customer dissatisfaction
- Recommend right solution
- Bring a standard, comprehensive call recording & monitoring system implemented in UK & other Contact Centers

How AGC won?

Our teams of Experience Specialists worked closely with the customer and understood their existing call recording business requirements and their key infrastructure details like server, storage and licenses. This consolidated view provided by AGC as a Solutions Integrator was eventually a substantial part of the overall complex solution.

The team conducted in-depth study of the existing client environment in terms of inhouse developed call recording solutions, incumbent hardware vendors like HP and Dell for server and storage and LAR Microsoft Partners (who were the existing global standard partners with the client).

Being a global RFP, leading OEMs and Global SIs were a part of the competition landscape. The evaluation process of the RFP lasted for almost 6 months with stringent global competition directly participating in the bidding process. AGC made multiple design presentations to the business and IT evaluation teams across HGS India and UK to win their confidence.

The overall customer and OEM relationship was effectively managed by Sameer Agarwal with design support from Purvi Bajaj and practice support from Kashyap Patel and Gaurav Taishete from Alliances which led to an increase in the TCV of the deal with able support from the Account Manager, Kartik Shah.

Deal Overview

- 5434 Verint Advanced QM, Data Center Redudancy, Agent Desktop Analytics
- 500 Verint Speech Analytics Licenses
- 45 Nos HP Severs with Dual & Quad CPU's
- 49 Nos of Windows Std 2012 & 41 Nos of SQL Ent 2012 Microsoft Licenses
- Project Mangement, Implementation & SLA Support
- 6 Nos of Resident Engineers for 3 Years

Project Value

$ 3.6 Million TCV for 3 yrs with Y1 TCV of $ 2.6 Million and a potential to grow to $ 6.5 Million over the period of 5 yrs

AGC's value proposition – Being an Integrator and Provider of 'integrating' Solutions across the AGC quadrants

- This is AGCs first of its kind major multi-practice and multi-alliance deal in the Mumbai region and across India as on date. That too in a new account scenario and where global OEMs and other leading SIs were directly pitching. AGC was able to provide the true 'Solutions Integrator' outlook to the client & create value.
- This also marks the first Application based order where AGC was able to package to the client multiple OEM offerings like Microsoft licences, HP servers and EMC storage apart from Verint application software in the true sense of establishing AGC as a multi practice organization with Application Business as one of its core offerings.

Kudos to the following AGC 'Experience Specialists'

- Sales team: Sameer Agarwal and Kartik Shah
- Design Team: Purvi Bajaj
- Delivery and Project Team: Sourabh Mule, Kawaljit Kaur and S B Gupta
- Practice support: Amit Bishnoi, Gaurav Taishete and Kashyap Patel

Way to go and let's have more wins flowing in.

Warm Regards,
S K Jha
MD & CEO

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Enabling Experience

AGC wins $29mn (TCV) contract in Banking Vertical (India)

Client: Dena Bank (Lead Bank of Consortium of PSU Banks)

देना बैंक
DENA BANK
(A Government of India Enterprise)
Trusted Family Bank

About the Project

The Consortium of PSU Banks floated an RFP to *'select an SI to supply, install, integrate and operationalize a suitable Cheque Truncation Solution (CTS) application and related scanners across the public sector Bank's branches in the western grid in India'.*

This consortium consisted of **20 of the leading Indian banks** with an approximate volume of 22.5 lacs cheques being processed per day for which a CTS solution was the need of the hour.

These Banks were on the lookout for provisioning of a CTS comprising of web-based CTS application, associated hardware and services for a period of 5 years in the following categories:

- End-to-end solution for CTS services including data center & Disaster Recovery hosting, Hardware, Software, Scanners and Facility Management
- The perpetual license for the application for the various Banks (including subsidiaries)
- The solution proposed to be seamlessly integrated with the existing Core Banking Solution used by the Bank.

Overall Deal Size

INR 93 Cr for CAPEX (USD 17mn) and INR 68 Cr for OPEX (USD 12 mn) leading to a total deal value of 161 Cr (USD 29mn). Phased ordering and delivery planned within one year.

AGC's Proposed Solution

The solution offered by AGC could be broadly classified as:

- CTS Application driven
- Business enablement infrastructure
- Support services

How AGC Won?

This being a complex solution, a great deal of effort has gone into architecting the solution with the customer's end objectives in mind. The sales team have built and shared strong relationships with some of the key influencers from the various PSU banks associated with this project due to AGC having deployed its key solutions in several of these leading banks.

AGC was able to showcase

- Strategic approach at each level of interaction and during documentation
- Critical evaluation of each OEM to ensure relevance to client project
- Ability to think 'out of the box' and recommend solutions in the larger interest of the project

Factors such as right pricing, aligned solution recommendations by AGC coupled with client led recommendations played a key role in AGC winning this first-of-its kind deal in the Banking vertical in the Indian sub-continent.

Above all, AGC's quadrant approach helped develop confidence with the client for AGC to be looked upon as a **'Trustworthy partner'** by providing a **'Technically compliant and commercially viable'** solution to the consortium of banks.

This indeed is a landmark win for AGC given the competition landscape spanning players like HP, HCL Infosystems, HCL Technolgies, Wipro and TCS. Due to the understanding of the project, AGC was successfully able to position the benefits from some of the leading OEMs like Hitachi for Storage and Cisco for Servers, Forbes for CTS Applications and Microsoft for Database.

This win is a 'value breakthrough' in terms of both monetary and structuring for AGC to be proud about.

Upside: Certainly a marquee account for AGC with an opportunity on the horizon as this consortium is also extends to each of the banks individual ICT requirements and spans to the Cooperative and Tier 2 banks who have major expansion plans over the next 2-3 years.

This project win not just has a huge reference value for AGC to leverage upon, it also clearly places AGC in the 'transformational league' – with the project spanning Capex and Opex within the Data Center and Virtualization space and enables a giant leap within this important BFSI vertical.

Congratulations to the team for setting new dimensions and good luck for similar endeavors.

Warm regards,

Sanjeev Verma
President, Global Sales & Business Operations
AGC Networks Limited

An ESSAR Enterprise

Significant Wins -India Business Highlights

Transportation- Public transport made easy – Approx deal value Rs. 50 Crs

- Govt. contract win - to provide networking backbone to a METRO link in one of the metro cities of India
- To provide telecommunications infrastructure for purposes such as Passenger Announcement, Train Traffic Control, emergency control, IP surveillance etc

O&G PSU - Fortune 500 Oil & Gas Company – approx deal value Rs. 30 Crs

- Govt contract with one of the largest Public Sector Oil & Gas & Fortune 500 company for massive IT and security infrastructure deployment across 280 locations
- Project to deliver automation of integrated bio metric based access control system (IBACS)

Customer Wins (2/2)

AGC

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AGC
Enabling Experience

AGC offered CSS Corp a complete suite of IT infrastructure across all technologies

CSS CORP
ICT Services • Technology Adoption

Deal Value: $ 1,033,538

Client: CSS Corp

About the Client

CSS Corp is a global information and communications technology company with an impeccable record for designing, developing, deploying and managing end-to-end IT and network services. Their services have a wide range covering everything from application development, testing and optimization to enterprise-level cloud enablement and round the clock technical support services.

Client objective

CSS corp is expanding its operations in Chennai, Bangalore and US and they were looking at a partner who could help them set up their complete IT infrastructure across the 3 locations.

Solution offered

AGC has offered the complete suite of IT infrastructure in the truest sense. Following are the solutions offered.

Contact Center Solution
- Complete Contact Center Solution with Avaya- 250 seater
- Audio codes for US

Networking
- Switching, Routing, Internal firewalls with Juniper
- Switching for a particular client

Information Security
- Blue coat, Mcafee
- Load Balancers with Peplink
- SSL VPN with Juniper

Business Applications
- WFO with Avaya- 250 seater

How AGC Won?

We engaged with the customer right from the start. CSS had set up a 50 seater incubation center for which we had delivered and implemented the set-up within a short period of time enabling the customer to start the process quickly. Customer already had an existing Avaya relationship with AGC but we were successful in proliferating in to every practice of the quadrants in which we operate. Because of our deep engagement and the solution design presented for the complete IT infrastructure across all technologies over a period of 6 months, customer made AGC their partner of choice empowering us to pick the OEMs for the respective technologies.

None of the competitors were able to replicate our engagement or offer the complete stack to the customer like we did. The close engagement of the sales and the presales team with the customer for over 6 months, coupled with our approach in designing the complete solution, proved to be in sync with the customer's vision of setting up their IT infrastructure.

CSS corp entrusted us as their IT consultants. It was testified and proven when the customer relied on our affirmation relating to product queries during joint meetings with the OEMs.

This engagement is to be done for a period of 3 years with the customer having entered into a contract with AGC for our services portfolio. This is a first of its kind deal for AGC in the TNKS region where the customer has chosen us for their complete IT infrastructure.

OEM involved in the project

Avaya, Juniper, Cisco, Audio Codes, Blue Coat, McAfee, Peplink.

AGC's capabilities across various technologies were proven, with us selling the three major OEMs- Avaya, Cisco and Juniper. This signifies AGC's emergence as an important SI.

Competition Details

Wipro, HCL, IBM, Frontier, Airtel, DELL, Servion Global.

Team involved

Suresh Subramaniam, SanthaKumar, V. Arun Balaji, Chandramouli, Uma, Mithun, VJ Saravanan, SS Nageswaran, KS Suresh.

Warm regards,

Sanjeev Verma
President, Global Sales & Business Operations
AGC Networks Limited

An ESSAR Enterprise

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AGC
Enabling Experience

Transportation Vertical breakthrough.
AGC provides Networking backbone to Chennai Metro, India!

CHENNAI METRO RAIL LIMITED

Project Value: With order involving project implementation and management over a 5 year period, the order value is approx $2 mn (9.4 Crs) alone in Data Switches

Client: Chennai Metro Rail

About the Client

Chennai Metro Rail (CMR) is an upcoming rapid transit system in Chennai, Tamil Nadu. The project is aimed at providing the people in Chennai with a fast, reliable, convenient, efficient, modern and economical mode of public transport that is integrated with other forms of public and private transport including buses, suburban trains and MRTS.

ICT infrastructure for Chennai Metro project has been awarded to USS 6 bn organization ST Electronics (A Tamasek group company). STE has been a pioneer in providing e-Govt, e-Information, Intelligent Transport Systems, Homeland security and Mission critical systems. STE has provided ICT solution for intelligent transport management in various countries like Singapore, Europe, Thailand, China, Taiwan and UAE.

Client requirement and proposed solution

The **telecommunication system** acts as the communication backbone for Signaling systems and other systems such as SCADA, AFC etc and provides Telecommunication services to meet operational and administrative requirements of metro rail project.

The telecommunication infrastructure are required for:

- Passenger Announcement System, display system and station-to-station dedicated communication
- Train Traffic Control, maintenance and emergency control
- IP surveillance from centralized command center
- Instant radio communication between central control and moving coaches and maintenance personnel
- Data Channels for Signaling, SCADA, Automatic Fare Collection etc

The CMRL team highlighted requirements for setting up of the Metropolitan Area Network (MAN) with detailed specifications which can be summarized in the following four categories and was eventually the outline of our proposed solution architecture.

- Dual 10G optical MAN ring for **high performance**
- 2 separate MAN rings for both corridors with 50ms convergence time for **high availability**
- Chassis based solution at major intersection and stackable solution at all other metro station for **scalability**
- Integration with STE's proprietary **security solution** to provide secured infrastructure

The proposed solution involved **multiple (8) chassis based** Switches and **300+ Access** Switches.

How AGC Won?

Bhavin Barbhaya, Head NI Practice and Suresh Subramaniam, RD, Chennai region managed customer and OEM engagement in the Global RFP. Over a 7 month period our team showed perseverance and determination while projecting AGC as SI with rich domain expertise and ability to execute critical projects.

Kudos to the following AGCians

Santha Kumar, Sharath Kumar and Sridhar Bhat, V J Saravanan & Uma G., Karthick Saravanan, S. Nageswaran, Prakash Bajaj and Prabhu Subramaniam

Our team received excellent support from India and APJ teams of Extreme Networks further strengthening our proposition.

Congratulations for setting new dimensions and good luck to the team for similar endeavors.

Warm regards,

Sanjeev Verma
President, Global Sales & Business Operations
AGC Networks Limited

An ESSAR Enterprise

Global Highlights - Acquisition of Transcend United Technologies

AGC

Strategic Market Analysis for North America

- Largest marketplace for ICT with $1 trillion in market size and a third of market share
- Access to most of the world's ICT OEMs (alliances)
- Opportunity to leverage lower cost AGC locales (e.g., India, PHP) serving North American customers to enhance profit margins

Transcend's Acquisition

- Scale in UC market for relatively low purchase price of nearly one-fifth of revenue
- Strong talent in sales and operations
- Substantial recurring revenue base
- Scope in data center, networking and hosted managed services expertise

Deal Size

- US $8.2 Mn
- Funding through internal accruals

Alliances

AGC

Key Alliances

- AVAYA
- Juniper Networks
- Cisco
- Microsoft
- Oracle
- Citrix
- Verint
- Polycom
- NetApp
- HP
- EMC²
- NICE
- extreme networks
- Sony
- Hitachi Inspire the Next
- Christie
- aspect
- KnoahSoft
- symantec.
- Extron
- IndigoVision
- Symon
- NEC
- AMX
- Check Point Software Technologies Ltd.
- IP Trade
- Fortinet
- Dell
- AudioCodes
- Plantronics
- Nuance
- CA technologies
- Huawei
- altitude software
- Nevis Networks

Strategic Partnerships

AVAYA	Platinum
Juniper Networks	Elite
Cisco	Gold
Aspect	Platinum
Verint	Gold
NICE	Platinum
Polycom	Platinum
HP	Gold
Microsoft	Gold

Strong Partnership with leading Technology alliance partners

New Logos – FY 2012-2013

AGC

CHENNAI METRO RAIL LIMITED

Mindtree

OCWEN

vodafone

IISER PUNE

PRIME FOCUS WORLD

flipkart.com

ERICSSON

बी एच ई एल

BHEL

SKODA AUTO

Das Auto.

FORRESTER®

Union Bank of India

Deutsche Bank

AGC Networks- Enabling Experience

Enabling Experience

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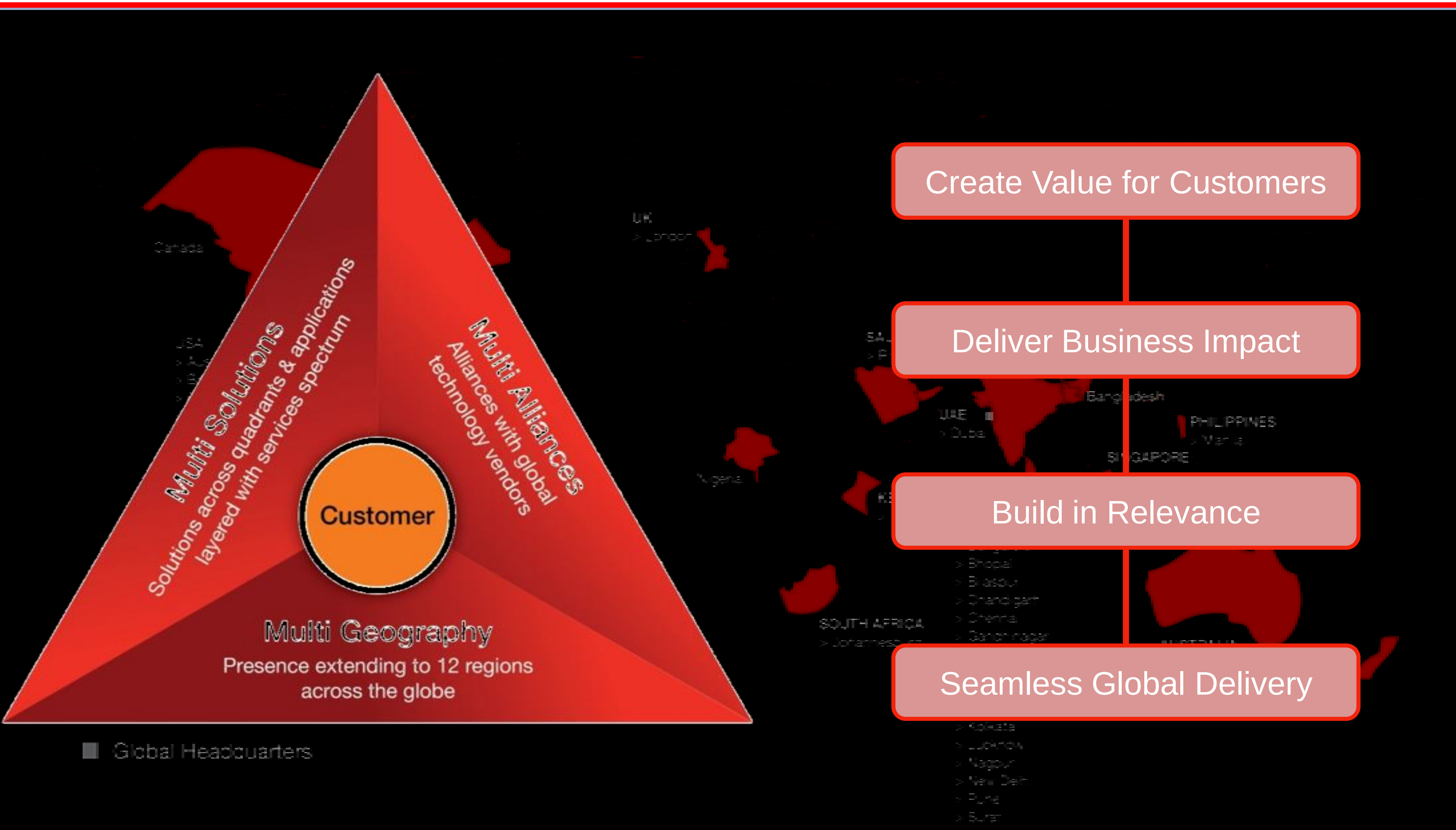
AGC 10^3 Strategy



With the Customer at the core, AGC focuses on ‘Enabling experience’ for its customers’ customer through customized **technology based solutions and services** offerings

AGC Networks- Enabling Experience

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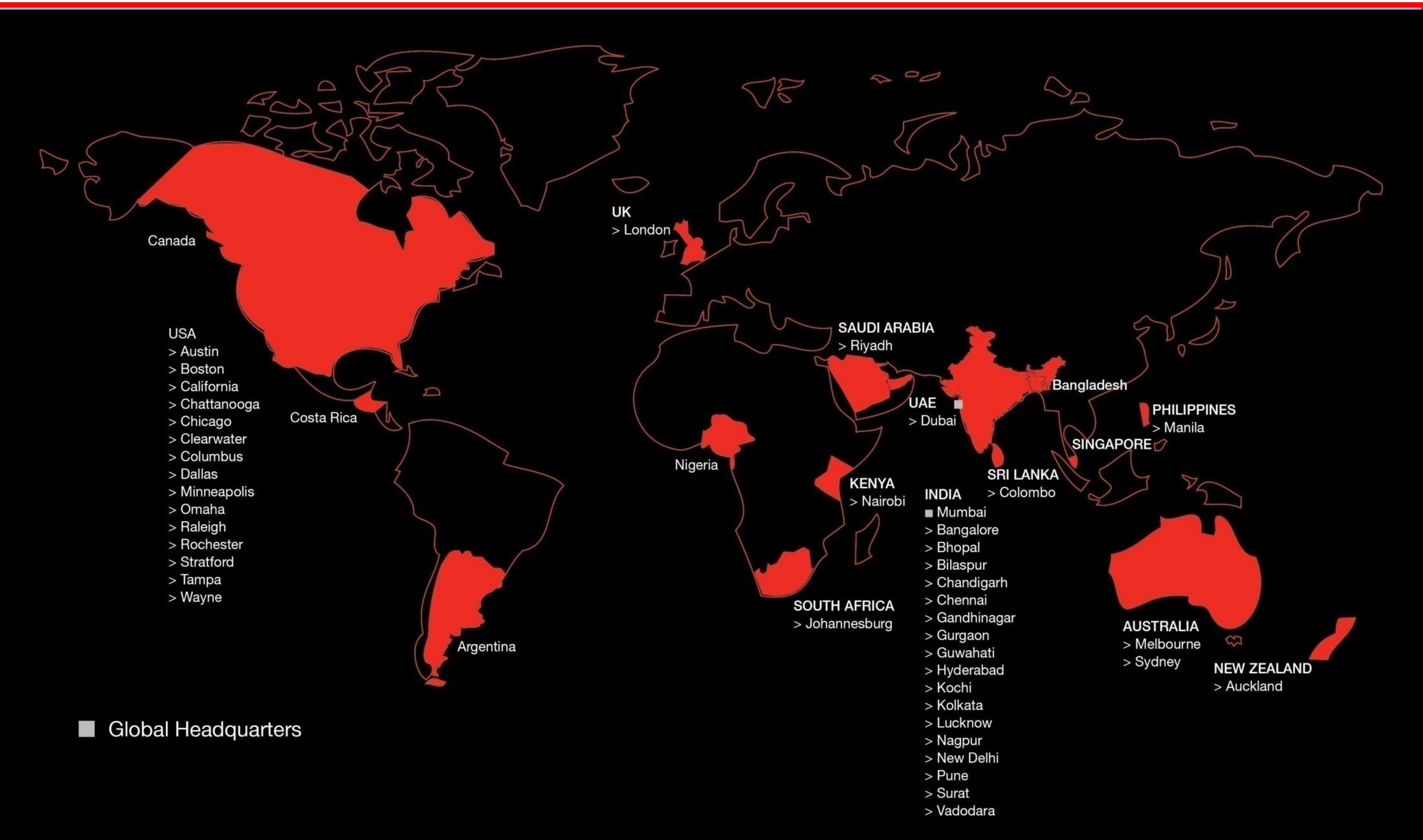
5. **Global Footprint**

AGC's Global Footprints



AGC's expanding footprints span 4 Global Markets and 12 Regions

Customer Experience Center- Dallas,US

AGC