


C H A N G E
OPENS
POSSIBILITIES



24th Annual Report
2009-2010

A clear vision inspires the right **change** and

heralds new beginnings

Our vision: To be a world-class Solution
Integrator of choice in Enterprise
Communication

When the goal is in sight, **change**

accelerates the journey

Our mission: To provide best-in-class
Enterprise Communication Solutions
enabling customers to accelerate their
business performance

Change strengthens our core values and

expands the horizon

Our values: Will to Win • Integrity, Fairness and
Responsiveness • Accountability, Empowerment
and Collaboration • Continuous Improvement
• Innovation

Possibilities expand when we go **beyond imagination**

We have performed and achieved. Beaten challenges and grabbed opportunities. Many times and in many ways. It's time now to raise the bar and set new challenges for ourselves.

There's a whole new world of possibilities waiting to be explored. Let's open our minds to look beyond what's possible. Let's open our minds to welcome change.

A refreshing new beginning

Avaya GlobalConnect is now AGC Networks, the first step towards a new beginning.

More robust, more dynamic, more enterprising, AGC is here to break new grounds and conquer greater heights.

The world is our playground

The coming together of AGC and Essar has changed the way we look at possibilities. A giant conglomerate with annual revenue of over USD 15 billion, Essar continuously forays into new international markets and explores new business areas. Essar's vision together with AGC's philosophy of openness, not only promises us a global reach, but also brings growth and continuity in all our future endeavours.

The canvas is now bigger for us and the horizon has expanded. There are more geographies to be conquered and bigger dreams to be realized.

So, let's take this journey together.

Expand



The right change fuels our will to excel and outshine

Here's a look at our achievements from the year gone by:

Top Enterprise Voice Solutions Company 2010 by Voice & Data

For the 7th year in a row, AGC won the Top Enterprise Voice Solutions Company award, instituted by Voice & Data. The award was presented by PJ Thomas, Secretary Dept. of Telecom - Government of India.



Award for Continuous Innovation in HR Strategy at Work, 2010

AGC won this prestigious award at Asia's Best Employer Brand Awards Forum, Singapore.

Excellence in Unified Communication Solutions, 2010

AGC was conferred upon the Excellence in Unified Communication Solutions award at Business World CMAI National Telecom Awards. The award was presented by Thiru A Raja, Honourable Minister for Communications and IT, Government of India.



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Company Information

Directors

S. Ramakrishnan - Chairman
S. K. Jha - Managing Director & CEO
Anil Nair - Joint Managing Director & President
Anshuman Ruia
Aparup Sengupta
Anil Batra
Debashis Chatterjee
Vikash Saraf

Company Secretary

Vishal Kohli

Auditors

M/s. Lovelock & Lewes,
Chartered Accountants

Registered Office

72, Kalpataru Synergy, Opp. Grand Hyatt,
Vakola, Santacruz (East),
Mumbai - 400 055

Corporate Office

DLF Square, 19th Floor, M-Block, Jacaranda Marg,
DLF City, Phase-II,
Gurgaon - 122 002

Works

E-1/I, Gandhinagar Electronics Estate,
Gandhinagar - 382 028, Gujarat

Regional Offices

Bangalore, Chennai, Gurgaon, Kolkata, Mumbai, Pune

Branches and Service Centres

Ahmedabad, Bilaspur,
Chandigarh, Guwahati, Hyderabad,
Jamshedpur, Kochi,
Nagpur, Surat, Vadodara

Bankers - Bank of India

Calyon Bank
IDBI Bank Limited

Registrars and Share Transfer Agents

TSR DARASHAW LIMITED
6-10, Haji Moosa Patrawala Industrial Estate,
20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400 011

Audit Committee

S. Ramakrishnan - Chairman
Anil Batra
Debashis Chatterjee
Aparup Sengupta

Shareholders'/Investors' Grievance Committee

Anil Batra - Chairman
Debashis Chatterjee
S. K. Jha

Ethics and Compliance Committee

Debashis Chatterjee - Chairman
Anil Batra

Remuneration Committee

Anil Batra - Chairman
S. Ramakrishnan
Aparup Sengupta
Vikash Saraf

Notice

AGC NETWORKS LIMITED (formerly Avaya GlobalConnect Limited)

Notice is hereby given that the Twenty Fourth Annual General Meeting of the members of AGC Networks Limited will be held on Monday, the 20th day of December, 2010 at 11:00 A.M. at the Amar Gian Grover Auditorium, Lala Lajpat Rai Marg, Mahalaxmi, Haji Ali, Mumbai – 400034, to transact the following business :

ORDINARY BUSINESS

1. To receive and adopt the Directors' Report, audited Profit and Loss Account for the period ended September 30, 2010 and the Balance Sheet as at that date.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mr. Anil Batra who retires by rotation and is eligible for re-appointment.
4. To appoint a Director in place of Mr. S. Ramakrishnan who retires by rotation and is eligible for re-appointment.

SPECIAL BUSINESS

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :-

"RESOLVED that pursuant to the provisions of Section 224, 225 and other applicable provisions of the Companies Act, 1956, M/s. S. R. Batliboi & Associates, Chartered Accountants, Mumbai, be and are hereby appointed Auditors of the Company, to hold office from the conclusion of this meeting upto the conclusion of the next Annual General Meeting of the Company, to examine and audit the accounts of the Company for the financial year 2010-11 on such remuneration as may be mutually agreed upon between the Board of Directors and the Auditors in addition to reimbursement of service tax, out-of-pocket expenses, travelling and other expenses, in connection with the work of audit to be carried out by them."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :-

"RESOLVED that Mr. Anshuman Ruia, who was appointed as Additional Director by the Board of Directors of the Company pursuant to Article 151 of the Articles of Association of the Company and who holds office up to the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :-

"RESOLVED that Mr. Aparup Sengupta, who was appointed as Additional Director by the Board of Directors of the Company pursuant to Article 151 of the Articles of Association of the Company and who holds office up to the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :-

"RESOLVED that Mr. Vikash Saraf, who was appointed as Additional Director by the Board of Directors of the Company pursuant to Article 151 of the Articles of Association of the Company and who holds office up to the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :-

"RESOLVED that Prof. Debashis Chatterjee, who was appointed as Additional Director by the Board of Directors of the Company pursuant to Article 151 of the Articles of Association of the Company and who

holds office up to the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

10. To consider and if thought fit, to pass, with or without modification(s), the following resolutions as Ordinary Resolutions :-
 - (a) “RESOLVED that Mr. S. K. Jha, who was appointed as Additional Director by the Board of Directors of the Company pursuant to Article 151 of the Articles of Association of the Company and who holds office up to the date of the ensuing Annual General Meeting under Section 260 of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.”
 - (b) “RESOLVED that pursuant to Sections 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956, read with Schedule XIII to the said Act as amended, Mr. S. K. Jha, be and is hereby appointed as ‘Managing Director and CEO’ of the Company, for a period of 5 (five) years, with effect from August 31, 2010 till August 30, 2015, without payment of any remuneration from the Company.”
11. To consider and if thought fit, to pass, with or without modification(s), the following resolutions as Ordinary Resolutions :-
 - (a) “RESOLVED that in partial modification of the Resolution passed at the Annual General Meeting of the Company held on January 29, 2010 and in accordance with the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, the Company, in addition to the current remuneration as set out in the Explanatory Statement annexed to the Notice convening this meeting, hereby approves the payment of the following additional remuneration / retention plan amount to Mr. Anil Nair, Managing Director (‘Joint Managing Director and President’ with effect from August 31, 2010) :
 - (i) Amount - Rs. 160 lakhs (in addition to notice / non-compete period)
 - (ii) Retention Period - May 01, 2010 to June 30, 2011
 - (iii) Payable 100% on - July 01, 2011
 - (iv) Conditions - (1) Payable on July 01, 2011 if the employment continues
(2) Payable in full upon involuntary separation”
 - (b) “RESOLVED that pursuant to Sections 198, 269, 309, 310 and 311 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956, approval be and is hereby accorded for the change in the designation of Mr. Anil Nair, Managing Director to ‘Joint Managing Director and President’ with effect from August 31, 2010 to April 27, 2012, his other terms and conditions of appointment and remuneration remaining the same.”

Notes :

- a. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business under items 5, 6, 7, 8, 9, 10 & 11 set out above are annexed hereto. The relevant details in respect of item nos. 3 & 4 above, as required by Clause 49 of the Listing Agreement entered into with Stock Exchanges are also annexed.
- b. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. In order to be effective, the proxy must be received by the Company not less than 48 hours before the meeting.
- c. Member / Proxy holder must bring the attendance slip to the meeting and hand it over at the entrance duly signed.
- d. The Register of Members and the Share Transfer Books of the Company will remain closed from 1st December, 2010 to 20th December, 2010 (both days inclusive).
- e. The dividend on Equity Shares as recommended by the Directors for the period ended September 30, 2010, if declared at the meeting will be paid on and after January 06, 2011, to those Members whose names appear on the Register of Members of the Company on December 20, 2010. In respect of shares held in electronic form, the dividend will be payable to the beneficial owners of shares as at the

end of business hours on November 30, 2010, as per details furnished by National Securities Depository Limited and Central Depository Services (India) Limited.

- f. As per the provisions of the Companies Act, 1956, facility for making nominations is available for shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registrars and Share Transfer Agents of the Company.
- g. Members are requested to notify, immediately, any change in their address to the Company's Registrars and Share Transfer Agents.
- h. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- i. Members are requested to bring their copy of the Annual Report.
- j. Members are advised to avail ECS facility for the credit of dividend directly to their bank accounts. This facilitates quick credit of the dividend amount and eliminates any delay or loss of the dividend warrants in transit and also ensures safety against fraudulent encashment.
- k. Pursuant to the provisions of Section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the unpaid or unclaimed dividends for the financial year 1997-98, 2001-02 & 2002-03 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Dividends for the financial year ended March 31, 2004 and thereafter, which remain unpaid or unclaimed for a period of 7 years from the date they become due for payment will be transferred by the Company to IEPF. Members who have not so far encashed dividend warrant(s) for the aforesaid years are requested to seek issue of duplicate warrant(s) by writing to the Company's Registrar and Share Transfer Agents, immediately.

Members are requested to note that no claims shall lie against the Company or the IEPF in respect of any amounts which were unclaimed or unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claim.

- l. As the members are aware, your Company's shares are tradable compulsorily in electronic form. In view of the numerous advantages offered by the Depository system, members are requested to avail of the facility of dematerialisation of the Company's shares on either of the Depositories viz. National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL).
- m. In order to provide protection against fraudulent encashment of the warrants, members holding shares in physical form are requested to intimate the Registrar and Share Transfer Agents under the signature of the Sole / First holder, the following information to be incorporated on the Dividend Warrants : (i) Name of the Sole / First joint holder and the folio number, (ii) Particulars of the Bank Account viz., (1) Name of the Bank, (2) Name of the Branch, (3) Complete address of the Bank with Pin code number, and (4) Bank Account no. allotted by the Bank.

In respect of other matters pertaining to Bank details, ECS mandates, nomination, power of attorney, change in name / address etc., the members are requested to approach the Company's Registrars and Share Transfer Agents, in case of shares held in physical form and the respective Depository Participants, in case of shares held in electronic form. In all correspondence with the Company / Registrars and Share Transfer Agents, members are requested to quote their account / folio numbers or DP ID and Client ID for physical or electronic holdings respectively.

- n. In view of the change in the name of the Company from 'Avaya GlobalConnect Limited' to "AGC Networks Limited" w.e.f. April 27, 2010, the Registrars and Share Transfer Agents would be stamping the new name of the Company as and when the share certificates are lodged with them for transfer, transposition, splitting, consolidation, etc.

By Order of the Board of Directors

Place : Mumbai

Date : November 15, 2010

Registered Office :

72, Kalpataru Synergy,
Opp. Grand Hyatt, Vakola,
Santacruz (East),
Mumbai – 400 055.

VISHAL KOHLI
Company Secretary