

Headline: SK Jha, MD and CEO, AGC Networks Ltd

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The screenshot shows the IndiaInfoline website interface. At the top, there is a navigation bar with categories like Markets, News, Research & Ideas, Mutual Funds, Discuss, and Personal Finance. Below this is a sub-navigation bar with options like Overview, Insurance, NRI Corner, Loans, Calculators, Budget, and Articles. The main content area features a sidebar on the left with sections for Top News, Business News, FLAME News, Markets, and Sectors. The main article is titled "SK Jha, MD and CEO, AGC Networks Ltd" and includes a quote: "The crisis in US & Europe will impact us to the extent it will impact overall Indian industries & economy. But a direct, parallel impact of similar level on AGC is not to be witnessed." A portrait of SK Jha is shown next to a biographical text describing his education and professional experience.

SK Jha, MD and CEO, AGC Networks Ltd

“The crisis in US & Europe will impact us to the extent it will impact overall Indian industries & economy. But a direct, parallel impact of similar level on AGC is not to be witnessed.”



SK Jha, MD and CEO, AGC Networks Ltd, holds a bachelor's degree in computer engineering. He

currently steers Aegis's technology business as the Managing Director and CEO of AGC Networks Ltd. As India's leading solutions integrator in enterprise communication, AGC Networks is the Technology Services vertical of Aegis limited, an Essar enterprise. Jha has over 18 years of experience in the areas of systems integrations, operations, sales and marketing of IT and telecom solutions, and strategic business planning. He founded 3D Networks. Before joining Aegis, Jha served as the Vice President of Wipro Limited.

AGC Networks Ltd. is India's Leading Solutions Integrator in Unified communications, Network infrastructure, Information security & Business Application and Consulting. AGC has been delivering customized business solutions that help organizations accelerate revenue growth, increase market penetration, optimize operating costs and improve employee productivity, by embedding technology solutions in their business processes. With a vision of being a world class solution integrator of choice, AGC has always remained committed to providing clients with the best returns on their technology investments. It partners with global technology leaders like Avaya, Juniper, Aspect, Polycom, Extreme Networks, HP, Sony, etc. Focus verticals include BFSI, IT, Service Providers, Manufacturing, Hospitality, Healthcare and Government. AGC Networks is a subsidiary of Aegis Limited, an Essar Enterprise.



Replying to **Yash Ved** of **IIFL**, S K Jha says, "The crisis in US & Europe will impact us to the extent it will impact overall Indian industries & economy. But a direct, parallel impact of similar level on AGC is not to be witnessed."

What kind of impact have you seen from crises in Europe and US?

Today no economy or industry works in isolation. Even a small leather industry setup in Lucknow gets impacted by changes in other economies because his export gets impacted. The question we need to answer is what is the impact.

I see the changes in US & Europe policies impacting our customers will affect us more than a direct impact of so called economic crisis in these regions. Yes there is a slowdown both economies are witnessing but service providers like us at AGC are more impacted by Indian growth and slowdown than global. And as we all know Indian economy in recent times has proven to be relatively stronger & stable than most of global economies. In fact since 1997 no other economy except India and probably China too, has been witnessing an average of 7% growth in GDP. Except for one major drop in 2003, I don't recollect if we have seen any slowdown. All these are healthy indicators as they show Indian industry is growing and we as service providers to these industries get opportunity to serve, to grow.

Secondly we as a Service Provider cater to multiple verticals. Thus the impact on us again gets distributed.

So I would reiterate that the crisis in US & Europe will impact us to the extent it will impact overall Indian industries & economy. But a direct, parallel impact of similar level on AGC is not to be witnessed.

Nevertheless, the US economy has already started showing positive signs and it is the recent meetings in EU and decisions like, 'would they be retaining Euro as common currency OR disintegrate it totally'. These decisions would impact the global economies and like I said, to what extent only needs to be seen.

How has your business evolved over the years?

AGC Networks is a part of Aegis Limited, an Essar Enterprise. But the business was incepted 1986 as part of Tata group as Tata Telecom Limited. Initially they focused in catering to the emerging Indian EPABX market. Lucent Technologies then invested in this listed company and formed a JV. In the year 2000, Lucent spun off its enterprise business into a separate company, i.e. Avaya Inc., which later acquired Tata Son's stake and the company was rechristened 'Avaya GlobalConnect Limited'. On April 30, 2010, the company changed its name to AGC Networks Limited. In this year, Avaya Inc sold its stake in AGC Networks to the Essar Group. At present, the Essar Group holds a majority stake in AGC Networks Ltd.

Today AGC Networks Ltd. is India's Leading Solutions Integrator in Unified communications, AV solutions, Collaboration, Network infrastructure, Information security and Consulting & PSO. AGC has been delivering customized business solutions that help organizations accelerate revenue growth, increase market penetration, optimize operating costs and improve employee productivity, by embedding communication in their business processes. With a vision of being a world class solution integrator of choice, AGC Networks Ltd. has always remained committed to providing clients with the best returns on their technology investments. It partners with global leaders like Avaya, Juniper, NICE Systems, Aspect, Verint, HP, Polycom, Cisco, NEC, Sony, Plantronics, EMC, Dialogic, NetApp, Checkpoint and Jabra.

In line with its mission, AGC differentiates itself by providing industry specific solutions to enhance the business performance of its customers. Focus verticals include BFSI, IT & ITES, Manufacturing, Hospitality, Healthcare and Government.

What are your expansion plans?

The current focus is to expand our product portfolio and increase geographical reach. Both aligned with our industry focused approach. We want to be industry experts when it comes to conceptualizing, integrating & delivering a business specific solution. We truly believe that every industry needs are different and it is not just tweaking of solution that can deliver required results. You really need to rework on the whole model. And this is our Mantra to be followed in 2012.

What kind of acquisitions are you looking at?

Acquisition though not being ruled out may not form core of our growth strategy in 2012. We are looking at enlarging our OEM partner base to expand and enrich our product offering. We still have Avaya as a strategic partner; we have already tied up with many other OEM vendors so that we can deliver an unmatched product packaging just for AGC customers. Going forward we will build AGC as frontrunner in Unified Communications, Contact Center, Collaboration & AV Space.

Are you planning to expand more regions globally?

Currently, AGC operations are in India, Sri Lanka, Middle East and Africa, Australia and New Zealand and are looking at further expanding in these markets. Also, over the next 12-18 months we are focusing on going into new geographies like US and Philippines.

With a new leadership coming onboard, what are the changes seen and expected?

We have made some alignments in line with our long- term goals. AGC Networks is now a holistic Solutions Integrator. There is a significant growth in our revenues and our profits are also expected to increase with our growth plan.

What is your revenue mix?

In terms of region specific, 95% of the revenues come from Indian markets and 5% from offshore businesses.

Brief us about your financials?

We recently announced our quarter results for the quarter ending September 2011. Our revenues have increased over 98% over the previous quarter. If we see the 6 months results, we have seen a growth of 72% from 2.64bn to in the previous year to 4.53bn in the current 6 month ending September 30, 2011. We have also seen a significant growth in our EBITDA. EBITDA has increased to 320mn from 130mn in the last year in the same quarter which is a growth of 137%. In the current 6 month, the EBITDA growth is 52% and the 1st 6 month EBITDA growth is 36.25cr as against 238.2mn last year. Profit after tax is 190mn as compared to 85mn in the previous year's previous quarter which shows a growth of 124%. If you see the same numbers for the first 6 months, profit after tax is 213.6mn as against 158.7mn in the previous 6 months which shows a growth of 35%.

Link: <http://www.indiainfoline.com/Markets/News/SK-Jha-MD-and-CEO-AGC-Networks-Ltd/5322158842>