

10th February, 2017

To,
Mr. Hari K - Asst. Vice President
National Stock Exchange of India Ltd
"Exchange Plaza", C-1, Block G,
Bandra - Kurla Complex,
Bandra (E), Mumbai - 400 051

To,
The Manager - Corporate
The Corporate relationship Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Scrip Code: NSE: SMARTLINK

BSE: 532419.

Sub: Un-audited Financial Results (Standalone and Consolidated) for the quarter ended 31st December, 2016

Dear Sir,

Pursuant to Regulation 33(3)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed please find the Un-Audited Financial Results (Standalone and Consolidated) for the quarter ended 31st December, 2016 which was duly approved by the Board of Directors of the Company at its meeting held today.

The Board meeting commenced at 11.00 a.m. and concluded at 04:30.

Request you to kindly take note of the same and acknowledge the receipt.

Thanking You,

Yours Faithfully,

For **SMARTLINK NETWORK SYSTEMS LIMITED**



URJITA DAMLE
COMPANY SECRETARY

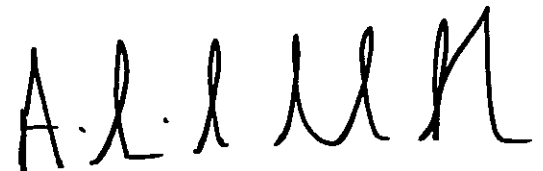
INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF SMARTLINK NETWORK SYSTEMS LIMITED

Tel: +91 22 6185 4000
Fax: +91 22 6185 4101

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **SMARTLINK NETWORK SYSTEMS LIMITED** ("the Company") for the quarter and nine months ended 31st December, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A. Siddharth
Partner
(Membership No. 31467)

Mumbai, 10th February, 2017

Smartlink Network Systems Limited

CIN : L30007GA1993PLC001341

Registered office : Plot No. L-7, Verna Industrial Estate , Verna, Goa - 403 722

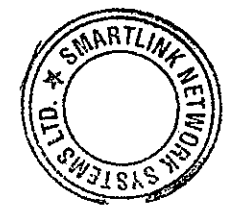
Website : www.smartlink.co.in

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PART I
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED 31ST DECEMBER 2016

(Rs. In lakhs)							
Sr. No.	Particulars	3 months ended 31.12.2016 (Unaudited)	Preceding 3 months ended 30.09.2016 (Unaudited)	Corresponding 3 months ended 31.12.2015 in the previous year (Unaudited)	Year to date figures for current period ended 31.12.2016 (Unaudited)	Year to date figures for previous period ended 31.12.2015 (Unaudited)	Previous year ended 31.03.2016 (Audited)
1	Income from Operations	305.03	803.76	729.12	1,767.71	2,397.03	3,197.23
2	Expenses						
	a) Employee benefits expense	174.80	75.55	160.98	324.68	559.29	625.40
	b) Depreciation and amortisation expense	31.83	28.35	33.26	87.58	109.67	137.79
	c) Other Expenses	121.13	146.36	131.63	470.85	350.00	495.13
	Total Expenses	327.76	250.26	325.87	883.11	1,018.96	1,258.32
3	Profit from Operations before Other Income, Finance Costs (1-2)	(22.73)	553.50	403.25	884.60	1,378.07	1,938.91
4	Other Income	106.59	35.70	6.29	142.92	20.73	24.76
5	Profit from ordinary activities before Finance Costs	83.86	589.20	409.54	1,027.52	1,398.80	1,963.67
6	Finance costs	-	0.01	0.56	0.05	0.69	5.28
7	Profit from ordinary activities after finance costs but before exceptional items (5 + 6)	83.86	589.19	408.98	1,027.47	1,398.11	1,958.39
8	Exceptional Items (Refer Note 2)	312.99	-	-	312.99	-	-
9	Profit / (Loss) from ordinary activities before tax (7+8)	396.85	589.19	408.98	1,340.46	1,398.11	1,958.39
10	Tax expense						
	Current Tax	52.54	185.59	134.93	342.84	473.23	687.67
	Deferred Tax	202.92	145.30	93.03	399.69	258.23	276.01
		255.46	330.89	227.96	742.53	731.46	963.68
11	Profit for the period / year from Continuing operation after tax (9-10)	141.39	258.30	181.02	597.93	666.65	994.71
12	(Loss) for the period / year from Discontinuing operations before tax	-	(110.12)	(362.75)	(485.82)	(1,108.68)	(1,281.93)
13	Tax expense						
	Current Tax	-	(73.05)	(116.43)	(184.25)	(364.57)	(486.67)
	Deferred Tax	-	(97.96)	(92.86)	(150.70)	(265.42)	(238.89)
		-	(171.01)	(209.29)	(334.95)	(629.99)	(725.56)
14	Profit / (Loss) for the period / year from Discontinuing operations after tax (12-13)	-	60.89	(153.46)	(150.87)	(478.69)	(556.37)
15	Net Profit for the period / year	141.39	319.19	27.56	447.06	187.96	438.34
16	Paid Up Equity Share Capital (Face Value Rs.2/-) (Refer Note 3)	451.00	451.00	600.10	451.00	600.10	600.10
17	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year.						40,094.73
18	Basic and Diluted Earnings per share (of Rs. 2/- each) (*not annualised) <i>See accompanying notes to the financial results</i>	0.57*	1.22*	0.09*	1.79*	0.63*	1.46

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Notes :

- 1 Figures of the previous quarter/year are re-grouped/re-arranged, wherever necessary.
- 2 The Company had signed the Business Transfer Agreement on 24th September, 2016 with Digisol Systems Limited ("Digisol") and Synegra EMS Limited ("Synegra") both 100% subsidiaries of the Company for sale of its "Digisol Business" comprising of Selling and Marketing of various categories of Networking and Information Technology (IT) Products sold under brand name "DIGISOL", hereinafter referred to as ("Digisol Business") and "EMS Business" comprising mainly of manufacture of various categories of electronic and IT products, on slump sale basis as a going concern for a consideration of Rs. 1900 lakhs and Rs. 330 lakhs respectively to be adjusted for any net working capital adjustments. The same was approved by the Board of Directors at its meeting held on 4th August, 2016 and by the shareholders vide resolution passed through postal ballot on 16th September, 2016. The closing date for the transfer as per the Business Transfer Agreement was 10th October, 2016 and consideration was received on 15th November, 2016. The profit on account of the above transaction is disclosed as an exceptional item.

Details of revenue and expenses of discontinued operations for financial results are as below :

Particulars	3 months ended 31.12.2016 (Unaudited)	Preceding 3 months ended 30.09.2016 (Unaudited)	Corresponding 3 months ended 31.12.2015 in the previous year (Unaudited)	Year to date figures for current period ended 31.12.2016 (Unaudited)	Year to date figures for previous period ended 31.12.2015 (Unaudited)	Previous year ended 31.03.2016 (Audited)
Revenue from operations (net)	-	2,687.48	1,479.51	4,539.25	5,102.71	7,049.97
Other Income	-	39.65	8.11	58.96	36.40	49.49
Total Income	-	2,727.13	1,487.62	4,598.21	5,139.11	7,099.46
Total Expenditure	-	2,837.25	1,850.37	5,084.03	6,247.79	8,381.39
(Loss) before tax	-	(110.12)	(362.75)	(485.82)	(1,108.68)	(1,281.93)
Provision for taxation	-	(171.01)	(209.29)	(334.95)	(629.99)	(725.56)
Profit / (Loss) after tax	-	60.89	(153.46)	(150.87)	(478.69)	(556.37)

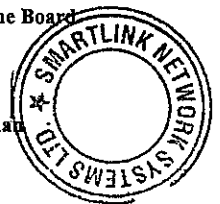
- 3 The Board of Directors of the Company at its meeting on 29th February, 2016 and the Shareholders of the Company through postal ballot on 14th April, 2016 had approved the proposal to buyback equity shares up to 7,454,850 (aggregating up to 24.85% of the paid-up equity share capital of the Company), payable in cash for an aggregate amount of up to Rs.820,033,500/-. During the first quarter the buyback process has been completed and equity shares of 7,454,850 stands cancelled on 30th June 2016.
- 4 Consequent to Slump sale (refer note 2 above) the Company is focussing on earning income through dividends, interest and gains on investments held. Hence, the Company operates in a single business segment namely " Investment ".
- 5 The Company has opted to publish Extract of the Unaudited Consolidated Financial Results, pursuant to option available as per Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 6 The above unaudited results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 10th February, 2017.

Mumbai
10th February, 2017

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For and on behalf of the Board


K.R. Naik
Executive Chairman
DIN: 00002013



Deloitte Haskins & Sells LLP

INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

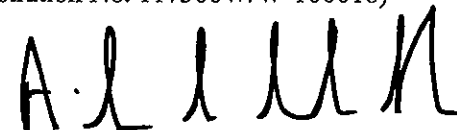
TO THE BOARD OF DIRECTORS OF SMARTLINK NETWORK SYSTEMS LIMITED

Chartered Accountants
Indiabulls Finance Centre,
Tower 3, 27th-32nd Floor,
Senapati Bapat Marg,
Elphinstone Road (West),
Mumbai - 400 013,
Maharashtra, India

Tel: +91 22 6185 4000
Fax: +91 22 6185 4101

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **SMARTLINK NETWORK SYSTEMS LIMITED** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), for the Quarter and Nine Months ended 31st December, 2016 ("the Statement"), being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016. This Statement which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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 Holding 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. The Statement includes the results of the following entities:
List of Subsidiaries:
Digisol Systems Limited and Synegra EMS Limited.
4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5th July, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A. Siddharth
Partner

(Membership No. 31467)

Mumbai, 10th February, 2017

Smartlink Network Systems Limited

For Signature

CIN : L30007GA1993PLC001341

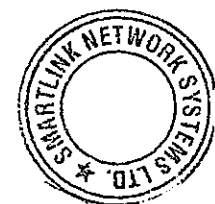
Registered office : Plot No. L-7, Verna Industrial Estate , Verna, Goa - 403 722

Website : www.smartlink.co.in

PART I			
STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2016			
			(Rs. In lakhs)
Sr. No.	Particulars	3 months ended 31.12.2016 (Unaudited)	Year to date figures for current period ended 31.12.2016 (Unaudited)
1	Net Sales and Income from Operations (net of excise duty)	2,305.41	8,307.35
2	Expenses		
	a) Cost of raw materials consumed	1,343.59	2,649.33
	b) Purchases of traded goods	1,034.94	3,437.85
	c) Decrease in inventories of Finished goods, Work-in-Progress and traded	(928.59)	(1,128.57)
	d) Employee benefits expense	580.27	1,560.27
	e) Depreciation and amortisation expense	42.08	119.82
	f) Other Expenses	600.42	1,673.40
	Total Expenses	2,672.71	8,312.10
3	Profit from Operations before Other Income, Finance Costs (1-2)	(367.30)	(4.75)
4	Other Income	22.64	117.93
5	Profit from ordinary activities before Finance Costs (3+4)	(344.66)	113.18
6	Finance costs	0.06	0.11
7	Profit from ordinary activities before Tax (5-6)	(344.72)	113.07
8	Tax expense		
	Current Tax	52.54	158.58
	Deferred Tax	202.92	249.00
		255.46	407.58
9	Net Profit / (Loss) for the period / year (7-8)	(600.18)	(294.51)
10	Paid Up Equity Share Capital (Face Value Rs.2/-)	451.00	451.00
11	Reserves excluding Revaluation Reserve as per balance sheet of previous accounting year.	N.A.	N.A.
12	Basic and Diluted Earnings per share (of Rs. 2/- each) (*not annualised) <i>See accompanying notes to the financial results</i>	(2.40) [*]	(1.18) [*]

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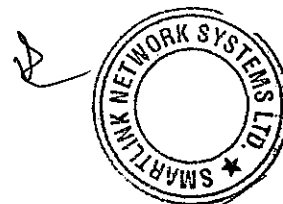


**CONSOLIDATED SEGMENT-WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND
NINE MONTHS ENDED 31ST DECEMBER 2016**

(Rs. In lakhs)

Sr. No.	Particulars	3 months ended 31.12.2016 (Unaudited)	Year to date figures for current period ended 31.12.2016 (Unaudited)
1	<u>Segment Revenue (net of Excise duty):</u>		
	(a) Investment	305.03	1,767.71
	(b) Networking Products	1,992.20	6,477.08
	(c) EMS	175.23	229.61
	Total	2,472.46	8,474.40
	Less: Inter-segment Revenue	167.05	167.05
	Total Income from Operations (net)	2,305.41	8,307.35
2	<u>Segment Results:</u>		
	Profit/ (Loss) before tax and finance costs from each segment		
	(a) Investment	(20.28)	1,293.45
	(b) Networking Products	(213.14)	(1,055.59)
	(c) EMS	(105.05)	(145.94)
	Total	(338.47)	91.92
	Less:		
	(i) Finance Costs (net)	0.06	0.11
	(ii) Other un-allocable expenditure net-off un-allocable income	6.19	(21.26)
	Total Profit before tax	(344.72)	113.07
3	<u>Capital Employed</u>		
	<u>Segment Assets</u>		
	(a) Investment	27,847.75	27,847.75
	(b) Networking Products	4,624.52	4,624.52
	(c) EMS	254.44	254.44
	(d) Un-allocated	2,635.39	2,635.39
	Total Assets	35,362.10	35,362.10
	<u>Less: Segment Liabilities</u>		
	(a) Investment	58.65	58.65
	(b) Networking Products	1,828.74	1,828.74
	(c) EMS	83.66	83.66
	(d) Un-allocated	243.73	243.73
	Total Liabilities	2,214.78	2,214.78
	Total Capital Employed	33,147.32	33,147.32

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Notes :

- 1) Previous period figures are not available as this is the first period of Consolidation
- 2) The Consolidated Financial results include consolidated results of the following Companies:

Name of the Company	% shareholding and voting power of Smartlink Network Systems Limited	Consolidated as
Digisol Systems Limited	100%	Subsidiary
Synegra EMS Limited	100%	Subsidiary

Note : Telesmart SCS Limited a 100% subsidiary has not been considered for consolidation as it is yet to commence operations.

- 3) The group has three business segments
 - (i) Investment : Investment in various securities.
 - (ii) Networking products : Developing, manufacturing, marketing, distributing and servicing of various IT products.
 - (iii) EMS : Electronic manufacturing services.
- 4) The Company has opted to publish Extracts of the Unaudited Consolidated Financial Results from this quarter due to the transfer of business to its 2 subsidiaries, viz., Digisol Systems Limited and Synegra EMS Limited from 10th October, 2016. The Standalone Financial Results are available on the Company's website viz. www.smartlink.co.in and on the Stock Exchange

Key standalone financial information is given below:

(Rs. In lakhs)

Particulars	3 months ended 31.12.2016 (Unaudited)	Year to date figures for current period ended 31.12.2016 (Unaudited)
Income from Operations and other Income	411.62	1,910.63
Profit Before Tax	396.85	854.64
Profit After Tax	141.39	447.06


- 5) The above unaudited results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 10th February, 2017.

For and on behalf of the Board

Place: Mumbai

Date: 10th February, 2017

DKLS


K.R. Naik
Executive Chairman
DIN: 00002013

