



## Smartlink Network Systems Limited

Registered Office: L-7, Verna Industrial Estate, Verna, Salcete, Goa - 403722

Corporate Identification Number (CIN): **L30007GA1993PLC001341**

Telephone: 0832-2885400; Fax: 0832-2783395;

Email: [Company.Secretary@smartlink.co.in](mailto:Company.Secretary@smartlink.co.in) Website: [www.smartlink.co.in](http://www.smartlink.co.in)

### Postal Ballot Notice

#### Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014

Dear Member(s),

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, (the "**Act**"), read together with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 (the "**Management Rules**"), including any statutory modification or re-enactment thereof for the time being in force and any other applicable provisions of the Act and the rules made thereunder, that the resolution set out below for the proposed buyback by Smartlink Network Systems Limited (the "**Company**") of its fully paid up equity shares each having a face value of Rs. 2/- is proposed to be passed by way of Postal Ballot/e-Voting. An Explanatory Statement pertaining to the said resolution setting out the material facts and the reasons thereof is annexed to the Notice, along with a Postal Ballot form (the "**Postal Ballot Form**") for your consideration.

The Board of Directors of the Company at its meeting held on 29<sup>th</sup> February, 2016 has, subject to approval of shareholders of the Company and approval of statutory, regulatory or governmental authorities as may be required under applicable laws, approved the proposal to buyback equity shares on a proportionate basis through a tender offer in accordance with the Act, the Management Rules and the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998. The aforesaid buyback shall be less than 25% of the aggregate paid up capital and free reserves of the Company at a maximum price of Rs. 110/- per equity share.

In accordance with the provisions of Sections 68(2)(b), 69, 110 of the Act read with Rule 22(16)(g) of the Management Rules and other applicable provisions of the Act and the rules made thereunder, and the Articles of Association of the Company, the Company is required to obtain approval of its members by way of special resolution through postal ballot for the Buyback. The Buyback will comprise of a purchase of up to 7,454,850 equity shares (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/- (Rupees Eighty Two Crores Thirty Three Thousand and Five Hundred only). Accordingly, the Company seeks your approval for the proposed Buyback.

Pursuant to Rule 22(5) of the Management Rules the Company has appointed Mr. Shivaram Bhat, Practicing Company Secretary (Certificate of Practice No. 7853) or failing him Mrs. Shubhangi Baichwal, Practicing Company Secretary (Certificate of Practice No. 11016) as the scrutiniser ("**Scrutiniser**") for conducting the Postal Ballot process in a fair and transparent manner.

The members of the Company are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein and return the Postal Ballot Form, in original, duly completed in all respects, in the enclosed self-addressed, postage pre-paid envelope/business reply envelope (if posted in India) so as to reach the Scrutiniser, on or before the close of working hours (05:00 p.m.) on 13<sup>th</sup> April, 2016. Please note that any Postal Ballot Form(s) received after the said date and time will be treated as not having been received.

E-Voting facility is also provided to all members to enable them to cast their votes electronically instead of dispatching Postal Ballot Forms. Members desiring to opt for e-voting as per facilities arranged by the Company are requested to follow the procedure as stated in the notes to the Notice and instructions for casting of votes by e-voting on reverse of the Postal Ballot Form. Members of the Company will have both the options of voting i.e. by e-voting and through Postal Ballot Form. Kindly note that while exercising their vote, members of the Company can opt for only one of the modes of voting i.e. either through Postal Ballot Form or e-voting. If you are opting for e-voting, then you are requested not to vote through Postal Ballot Form and *vice versa*. In case member votes through both the modes, voting done by e-voting shall prevail and votes cast through postal ballot will be treated as invalid.

Upon completion of the scrutiny of the Postal Ballot Forms, the Scrutiniser will submit his report to the Chairman of the Company (the "**Chairman**") or to any other Director duly authorised in this regard, in a fair and transparent manner. The result of the Postal Ballot would be announced by the Chairman or any other Director duly authorised, on Thursday, 14<sup>th</sup> April, 2016 at the corporate office of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website i.e. [www.smartlink.co.in](http://www.smartlink.co.in) within two (2) days of passing of the resolution and shall also be communicated to the stock exchanges, where the Equity Shares of the Companies are listed.

The date of declaration of the results of the postal ballot i.e. Thursday, 14<sup>th</sup> April, 2016 shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.

## Approval for the Buyback of Equity Shares of the Company

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** in accordance with Article 62 of the Articles of Association of the Company and the provisions of Sections 68, 69 and 110 and all other applicable provisions, if any, of the Companies Act, 2013 (the “**Act**”), the Companies (Share Capital and Debentures) Rules, 2014 (the “**Share Capital Rules**”), the Companies (Management and Administration) Rules, 2014 (the “**Management Rules**”), including any amendments, statutory modifications or re-enactments thereof, for the time being in force and in compliance of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (“the **Buy-back Regulations**”), and subject to such other approvals, permissions and sanctions as may be necessary and subject to any modifications and conditions, if any, as may be prescribed by the appropriate authorities which the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which expression includes any Committee constituted by the Board to exercise its powers, including the powers conferred by this resolution) and subject to such conditions and modifications as may be prescribed or imposed by such government, regulatory or statutory authorities, the consent of the members be and is hereby accorded for the Buyback by the Company of its fully paid-up equity shares of a face value of Rs. 2/- each (“**Equity Share**”), from the members of the Company, for an amount not exceeding Rs. 820,033,500/- (Rupees Eighty Two Crores Thirty Three Thousand and Five Hundred only), excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc. (hereinafter referred to as the “**Buyback Offer Size**”), (being less than 25% of the total paid-up equity capital and free reserves of the Company as per latest audited balance sheet as on March 31, 2015), at a price not exceeding Rs. 110/- (Rupees Hundred and Ten only) per Equity Share on a proportionate basis through the “**Tender Offer**” route (hereinafter referred to as the “**Buyback**”), in accordance and consonance with the provisions contained in the Buy-back Regulations and the Act.

**RESOLVED FURTHER THAT** the Buyback, to the extent permissible under law and subject to all applicable legal provisions, be implemented using the “Mechanism for acquisition of shares through Stock Exchange” notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015.

**RESOLVED FURTHER THAT** the Buyback may be made out of Companies securities premium account and other free reserves and/or such other sources as may be permitted by law through the tender offer route in such manner as may be prescribed under the Act and the Buy-back Regulations and on such terms and conditions as the Board of Directors may deem fit, subject to member's approval.

**RESOLVED FURTHER THAT** as required by Regulation 6 of the Buy-back Regulations, the Company shall buyback Equity Shares from the members on a proportionate basis under the Tender Offer, provided 15% of the number of Equity Shares which the Company proposes to buy back or number of Equity Shares entitled as per the shareholding of small shareholders at Record Date, whichever is higher, shall be reserved for small shareholders, as defined in the Buy-back Regulations.

**RESOLVED FURTHER THAT** the Buyback from non-resident members, Overseas Corporate Bodies (OCB's), Foreign Institutional Investors and shareholders of foreign nationality, if any, shall be subject to such approvals, if and to the extent necessary or required from concerned authorities including approvals from the Reserve Bank of India under Foreign Exchange Management Act, 1999 and rules and regulations framed there under, if any.

**RESOLVED FURTHER THAT** nothing contained hereinabove shall confer any right on the part of any shareholder to offer, or any obligation on the part of the Company or the Board of Directors to buyback any shares and/or impair any power of the Company or the Board of Directors to terminate any process in relation to such Buyback if so permissible by law.

**RESOLVED FURTHER THAT** the Board of Directors (which expression includes a Buyback Committee constituted for this purpose) be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient or proper, to be in the best interest of the shareholders for the implementation of the Buyback, including but not limited to carry out incidental documentation as also to make applications to the appropriate authorities for their approvals and to initiate all necessary actions for preparation and issue of various documents, opening of accounts including public announcement, letter of offer, declaration of solvency, extinguishment of share certificates and 'Certificates of Extinguishment' required to be filed in connection with the Buyback on behalf of the Board and such other undertakings, agreements, papers, documents and correspondence as may be necessary for the implementation of the Buyback to the Securities and Exchange Board of India, Reserve Bank of India, BSE Limited, National Stock Exchange of India Limited, Registrar of Companies, Depositories and/or other authorities.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board be and is hereby authorized to accept and make any alteration(s), modification(s) to the terms and conditions as it may deem necessary, concerning any aspect of the Buyback, in accordance with the statutory requirements as well as to give such directions as may be necessary or desirable, to settle any questions, difficulties or doubts that may arise and generally, to do all acts, deeds, matters and things as it may, in its absolute discretion deem necessary, expedient, usual or proper in relation to or in connection with or for matters consequential to the Buyback without seeking any further consent or approval of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**By order of the Board of Directors,  
For Smartlink Network Systems Limited**

**Urjita Damle  
Company Secretary  
M. No.: A24654**

Mumbai, 29<sup>th</sup> February, 2016

**Notes:**

1. The Explanatory Statement pursuant to Section 102 read with Section 110 of the Companies Act, 2013 (the "Act") setting out material facts pertaining to the resolution is annexed hereto along with postal ballot form for your consideration.
2. The Notice is being sent to all the shareholders, whose names appear on the Register of Members/list of Beneficial Owners on Friday, 04<sup>th</sup> March, 2016, as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL).
3. The Company has appointed Mr. Shivaram Bhat, Practicing Company Secretary (Certificate of Practice No. 7853) or failing him Mrs. Shubhangi Baichwal, Practicing Company Secretary, (Certificate of Practice No. 11016) as Scrutiniser for conducting the Postal Ballot process in a fair and transparent manner. After completion of their scrutiny of the Postal Ballot Forms, they will submit their report to the Chairman or to any other Director, duly authorised in this regard, in a fair and transparent manner. The results of the Postal Ballot would be announced by the Chairman or any other Director, duly authorised on Thursday, 14<sup>th</sup> April, 2016 at 11.00 a.m. at the corporate office of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website i.e. [www.smartlink.co.in](http://www.smartlink.co.in) within two (2) days of passing of the resolution and shall also be communicated to the stock exchanges, where the Equity Shares of the Company are listed.
4. Shareholders who have registered their e-mail IDs for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent Notice of Postal Ballot by e-mail and others are sent through permitted mode of despatch along with Postal Ballot Form. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download the same from the website of the Company [www.smartlink.co.in](http://www.smartlink.co.in). To seek duplicate Postal Ballot Form, please contact our Registrar and Share Transfer Agent, M/s Karvy Computershare Private Limited and request you to fill in the details and send the same to the Scrutiniser.
5. In compliance with provisions of Section 110 of the Act read with the Management Rules, the Company is offering **e-voting facility** to all the shareholders of the Company. The Company has availed the e-voting services of Karvy Computershare Private Limited ("Karvy").
6. Shareholders desiring to exercise vote by Postal Ballot Form are requested to carefully read the instructions printed on reverse of the Postal Ballot Form and return the Postal Ballot Form duly completed, in all respects and signed in the enclosed self-addressed postage pre-paid envelope/business reply envelope to the Scrutiniser. The postage cost will be borne by the Company. However, envelopes containing Postal Ballot Forms, if sent in person, by courier or registered/speed post at the expense of the shareholders will also be accepted.
7. The Postal Ballot Form should be completed and signed by the member.
8. The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on 04<sup>th</sup> March, 2016, being the cut-off date. A person who is not member as on the cut-off date should treat this Notice for information purpose only.
9. **Facility to exercise vote by postal ballot including voting through electronic means will be available during the following period:**  
**Commencement of voting: From 10.00 a.m. on Monday, March 14, 2016**  
**End of voting: At 5.00 p.m. on Wednesday, April 13, 2016 (both days inclusive)**  
**(The facility for voting through electronic means will be disabled for voting by KARVY upon expiry of the aforesaid voting period)**
10. Incomplete, unsigned or incorrect Postal Ballot Forms will be rejected. The Scrutinizer's decisions on the validity of a Postal Ballot Form shall be final and binding.
11. Votes will be considered invalid on the following grounds:
  - if the member's signature does not tally.
  - if the member has marked all his shares both in favour and also against the resolution.
  - if the Postal Ballot Form is unsigned.
  - if the Postal Ballot Form is received torn or defaced or mutilated to an extent that it is difficult for the Scrutinizer to identify either the member or the number of votes or as to whether the votes are in favour or against or if the signature could not be checked or on one or more of the above grounds.
  - if the information filled in the Postal Ballot Form is incomplete.
  - if any other form or photocopy of the Postal Ballot Form is used.
  - any direction given by any competent authority in writing to the Company to freeze the voting rights of the member.
12. Name, Designation, Address, E-mail ID and Phone Number of person responsible to address grievances connected with E-voting

Name : Urjita Damle  
Designation : Company Secretary  
Address : L-7, Verna Industrial Estate, Verna, Salcete, Goa, 403722  
Tel : 0832 – 2885400  
Email id : [Company.Secretary@smartlink.co.in](mailto:Company.Secretary@smartlink.co.in)

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF THE NOTICE

With an objective of rewarding Members holding Equity Shares of the Company, through return of surplus cash, the Board at its meeting held on 29<sup>th</sup> February, 2016 has approved the proposal for recommending buyback of Equity Shares as contained in the resolution in the Notice. As per the relevant provisions of the Act and Buy-back Regulations, the Explanatory Statement contains relevant and material information to enable the Members holding equity shares of the Company to consider and approve the Special Resolution on the Buyback of the Company's equity shares. Requisite details relating to the Buyback are given below:

### a) Objective of the Buyback

Share buyback is the acquisition by a company of its own shares. The objective is to return surplus cash to the Members holding equity shares of the Company. The Board at its meeting held on 29<sup>th</sup> February, 2016 considered the increase in accumulated free reserves as well as the cash liquidity reflected in the audited accounts for the financial year ending March 31, 2015 and considering these, the Board decided to allocate a sum of Rs. 820,033,500/- (Rupees Eighty Two Crores Thirty Three Thousand and Five Hundred only) for distributing to the Members holding equity shares of the Company through the Buyback.

After considering several factors and benefits to the Members holding equity shares of the Company, the Board decided to recommend Buyback not exceeding 7,454,850 (Seventy Four Lacs Fifty Four Thousand Eight Hundred and Fifty only) equity shares (representing 24.85% of the total paid-up equity share capital of the Company) at a price of Rs. 110/- (Rupees Hundred and Ten only) per equity share for an aggregate consideration of Rs. 820,033,500 (Rupees Eighty Two Crores Thirty Three Thousand and Five Hundred only). Buyback is a more efficient form of distributing surplus cash to the Members holding equity shares of the Company, *inter-alia*, for the following reasons:

- i. The Buyback will help the Company to distribute surplus cash to its Members holding equity shares broadly in proportion to their shareholding, thereby, enhancing the overall return to Members;
- ii. The Buyback, which is being implemented through the Tender Offer route as prescribed under the Buy-back Regulations, would involve allocation of 15% of the outlay to small shareholders. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder";
- iii. The Buyback would help in improving return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value;
- iv. The Buyback gives an option to the Members holding equity shares of the Company, who can choose to participate and get cash in lieu of Equity Shares to be accepted under the Buyback Offer or they may choose to not participate and enjoy a resultant increase in their percentage shareholding, post the Buyback Offer, without additional investment;
- v. The Buyback Offer price of Rs. 110/- (Rupees Hundred and Ten only) per Equity Share represents a premium of 14.7% and 16.8% over the volume weighted average price of the Equity Shares on BSE and on NSE respectively for 3 months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback and 33.9% and 35.3% over the volume weighted average price of the Equity Shares on BSE and on NSE respectively for 2 weeks preceding the date of intimation to the BSE and NSE for the Board Meeting to consider the proposal of the Buyback.

### b) Method to be adopted for the Buyback

The Buyback shall be on a proportionate basis from all the Members holding equity shares of the Company through the "Tender Offer" route, as prescribed under the Buy-back Regulations. The Buyback will be implemented in accordance with the Act and the Share Capital Rules to the extent applicable and on such terms and conditions as may be deemed fit by the Company.

As required under the Buy-back Regulations, the Company will announce a record date (the "**Record Date**") for determining the names of the Members holding equity shares of the Company who will be eligible to participate in the Buyback.

In due course, upon the passing of this resolution each shareholder as on the Record Date, will receive a Letter of Offer along with an intimation indicating the entitlement of the shareholder for participating in the Buyback.

The equity shares to be bought back as a part of the buyback is divided in two categories:

- (a) Reserved category for small shareholders; and
- (b) General category for all other shareholders.

As defined in the Buy-back Regulations, a "small shareholder" is a shareholder who holds equity shares having market value, on the basis of closing price on the recognized stock exchange in which highest trading volume in respect of Equity Shares as on Record Date, of not more than Rs. 2,00,000/- (Rupees Two Lacs Only). In accordance with Regulation 6 of the Buy-back Regulations, 15% (fifteen percent) of the number of equity shares which the Company proposes to Buyback or number of equity shares entitled as per the shareholding of small shareholders, whichever is higher, shall be reserved for the small shareholders as part of this Buyback. The Company believes that this reservation of 15% for small shareholders would benefit a large number of public shareholders, who would get classified as "small shareholder".

Basis the holding on the Record Date, the Company will determine the entitlement of each shareholder to tender their shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of equity shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs.

Shareholders' participation in Buyback will be voluntary. Members holding equity shares of the Company can choose to participate and get cash in lieu of shares to be accepted under the Buyback or they may choose not to participate and enjoy a resultant increase in their percentage shareholding, post Buyback, without additional investment. Members holding equity shares of the Company may also accept a part of their entitlement. Members holding equity shares of the Company also have the option of tendering additional shares



(over and above their entitlement) and participate in the shortfall created due to non-participation of some other shareholders, if any. The maximum tender under the Buyback by any shareholder cannot exceed the number of equity shares held by the shareholder as on the Record Date.

The equity shares tendered as per the entitlement by Members holding equity shares of the Company as well as additional shares tendered, if any, will be accepted as per the procedure laid down in Buy-back Regulations. The settlement of the tenders under the Buyback is expected to be done using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015.

Detailed instructions for participation in the Buyback (tender of equity shares in the Buyback) as well as the relevant time table will be included in the Letter of Offer which will be sent in due course to the Members holding equity shares of the Company as on the Record Date.

**c) Maximum amount required under the Buyback and the sources of funds from which the Buyback would be financed**

The maximum amount required under the Buyback will be Rs. 820,033,500/- (Rupees Eighty Two Crores Thirty Three Thousand and Five Hundred Only). The Buyback would be financed out of free reserves of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares bought back through the Buyback to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet.

The Company confirms that as required under Section 68(2) (d) of the Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up equity share capital and free reserves after the Buyback.

**d) Buyback Price and the basis of arriving at the Buyback Price**

The equity shares of the Company are proposed to be bought back at a price not exceeding Rs.110/- (Rupees Hundred and Ten only) per equity share (the "**Buyback Offer Price**"). The Buyback Offer Price has been arrived at after considering various factors such as the average closing prices of the equity shares of the Company on the BSE Limited (the "**BSE**") and the National Stock Exchange of India Limited (the "**NSE**") (the NSE together with the BSE is referred to as the "**Stock Exchanges**") where the equity shares of the Company are listed, the net worth of the Company and the impact of the Buyback on the key financial ratios of the Company. The Buyback Offer price of Rs.110/- (Rupees Hundred and Ten only) per Equity Share represents a premium of 14.7% and 16.8% over the volume weighted average price of the Equity Shares on the BSE and on the NSE respectively for 3 months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback and 33.9% and 35.3% over the volume weighted average price of the Equity Shares on the BSE and on the NSE, respectively for 2 weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback.

**e) Number of shares that the Company proposes to buyback and the time limit for completing the Buyback**

The Company proposes to buyback not exceeding 7,454,850 (Seventy Four Lacs Fifty Four Thousand Eight Hundred and Fifty only) Equity Shares of face value of Rs. 2/- each of the Company. The Buyback is proposed to be completed within 12 months of the date of Special Resolution approving the proposed Buyback.

**f) Compliance with Section 68(2)(c) of the Companies Act**

The aggregate paid-up share capital and free reserves as at March 31, 2015 is Rs. 406.69 crores. Under the provisions of the Act, the funds deployed for the Buyback cannot exceed 25% of the total paid-up capital and free reserves of the Company i.e. Rs. 101.67 crores. The maximum amount proposed to be utilized for the Buyback, is Rs. 820,033,500/- (Rupees Eighty Two Crores Thirty Three Thousand and Five Hundred only) and is therefore within the limit of 25% of the Company's total paid-up equity capital and free reserves as per the audited Balance Sheet as at March 31, 2015. Further, under the Companies Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up equity capital of the Company in that financial year. Accordingly, the maximum number of equity shares that can be bought back in the current financial year is 7,501,212 Equity Shares. Since the Company proposes to buyback up to 7,454,850 Equity Shares, the same is within the aforesaid 25% limit.

**g) The aggregate shareholding of the Promoters, the directors of the Promoter where Promoter is a Company and of directors and key managerial personnel of the Company as on the date of this Notice:**

1. The aggregate shareholding of the Promoters who are in control of the Company:

Sr. No	Name of Shareholder	No. of Shares held	Percentage
1	Kamalaksha Rama Naik	1,56,62,993	52.20
2	Arati Kamalaksha Naik	30,13,528	10.04
3	Kamalaksha Rama Naik (HUF)	3,42,971	1.14
4	Sudha Kamalaksha Naik	15,00,243	5.00
5	Lakshana Amit Sharma	18,30,841	6.10
	<b>Total</b>	<b>2,23,50,576</b>	<b>74.49</b>

2. None of the Directors or Key Managerial Personnel of the Company hold any Equity Shares in the Company except for the following:

Sr. No	Shareholding of Directors & Key Managerial Personnel	No. of Shares held	Percentage
1	Jangoo Minoo Dalal	30,000	0.10
2	Krishnanand Maruti Gaonkar	68,962	0.23
3	K. G. Prabhu	750	0.00

3. No Equity Shares of the Company have been purchased/sold by any member of the Promoter/Promoter Group, Directors and Key Managerial Personnel of the Company during the period from 12 months preceding the date of the Board Meeting at which the Buyback was proposed and from the date of the Board Meeting till the date of this Notice, except for the following transactions:

Name of Promoter Group / Director	Date of Transfer	No. of Shares Sold	Details of Transfer	Maximum Price (Rs.)*	Date of Maximum Price	Minimum Price (Rs.)*	Date of Minimum Price	Average Price (Rs.)*
Jangoo Minoo Dalal	7-Aug-2015	30,000	Sale of Shares in the Open Market	122.05	7-Aug-2015	116.90	7-Aug-2015	118.59

\*Excluding Brokerage and other transaction costs

4. In terms of the Buy-back Regulations, under the Tender Offer route, the promoters of the Company have the option to participate in the Buyback. In this regard, the promoter and promoter group of the Company have expressed their intention vide their letter dated 29<sup>th</sup> February, 2016, to participate in the Buyback and offer up to an aggregate maximum of 7,454,850 Equity Shares as mentioned in point 5 below or any such lower number of shares as required in compliance with the Buy-back Regulations/terms of the Buyback.
5. Details of the date and price of acquisition of the Equity Shares that promoters intend to tender are set-out below:

KAMALAKSHA RAMA NAIK				
Date	No. of Shares*	Nominal Value	Issue Price/Transfer Price	Consideration
31.03.1993	500	1,000	2.0	Cash
09.01.1995	500,000	1,000,000	2.0	Cash
22.05.1995	2,369,200	4,738,400	2.0	Cash
04.02.1999	250,000	500,000	2.0	Cash
13.03.1999	250,000	500,000	2.0	Cash
11.02.2000	1,750,000	3,500,000	2.0	Cash
22.09.2000	500	1,000	2.0	Cash
11.03.2003	37,800	75,600	52.4	Open Market
12.03.2003	55,231	110,462	54.6	Open Market
13.03.2003	26,920	53,840	53.7	Open Market
17.03.2003	16,025	32,050	52.4	Open Market
19.03.2003	19,027	38,054	53.2	Open Market
20.03.2003	5,950	11,900	53.1	Open Market
28.03.2003	1,200	2,400	53.0	Open Market
12.09.2003	42,142	84,284	94.8	Open Market
15.09.2003	136,258	272,516	93.2	Open Market
18.08.2004	14,240	28,480	104.7	Open Market
07.07.2009	7,634,698	15,269,396	NIL	Demerger
21.01.2010	90,486	180,972	51.9	Open Market
22.01.2010	39,514	79,028	50.8	Open Market
27.01.2010	70,000	140,000	49.5	Open Market
14.05.2010	137,000	274,000	50.0	Open Market
18.05.2010	6,249	12,498	48.4	Open Market
19.05.2010	23,000	46,000	48.3	Open Market
20.05.2010	6,701	13,402	48.7	Open Market
24.05.2010	13,269	26,538	48.8	Open Market
25.05.2010	5,332	10,664	46.4	Open Market
31.05.2010	4,000	8,000	48.8	Open Market
01.06.2010	12,597	25,194	48.4	Open Market
03.06.2010	8,000	16,000	48.7	Open Market

KAMALAKSHA RAMA NAIK				
Date	No. of Shares*	Nominal Value	Issue Price/Transfer Price	Consideration
04.06.2010	87,600	175,200	49.1	Open Market
07.06.2010	107,000	214,000	49.1	Open Market
08.06.2010	66,000	132,000	49.0	Open Market
09.06.2010	53,400	106,800	48.9	Open Market
15.06.2010	2,772	5,544	49.8	Open Market
22.06.2010	1,734	3,468	52.0	Open Market
23.06.2010	88,750	177,500	54.6	Open Market
24.06.2010	84,224	168,448	54.8	Open Market
25.06.2010	81,051	162,102	54.6	Open Market
29.06.2010	67,964	135,928	53.2	Open Market
30.06.2010	4,720	9,440	51.4	Open Market
29.07.2010	2,276	4,552	51.3	Open Market
30.07.2010	14,825	29,650	51.1	Open Market
02.08.2010	9,690	19,380	51.2	Open Market
03.08.2010	3,000	6,000	51.2	Open Market
04.08.2010	1,204	2,408	51.2	Open Market
05.08.2010	5,510	11,020	51.1	Open Market
06.08.2010	53,691	107,382	51.8	Open Market
09.08.2010	100	200	52.0	Open Market
10.08.2010	3,462	6,924	52.1	Open Market
11.08.2010	40,167	80,334	51.6	Open Market
12.08.2010	36,495	72,990	51.2	Open Market
13.08.2010	1,215	2,430	51.2	Open Market
02.09.2010	20,064	40,128	61.5	Open Market
03.09.2010	29,124	58,248	61.5	Open Market
06.09.2010	5,704	11,408	64.5	Open Market
07.09.2010	32,316	64,632	64.3	Open Market
08.09.2010	10,544	21,088	64.5	Open Market
16.09.2010	12,117	24,234	74.3	Open Market
17.09.2010	3,799	7,598	74.1	Open Market
27.09.2010	1,818	3,636	74.2	Open Market
20.12.2011	6,175	12,350	48.0	Open Market
21.12.2011	18,504	37,008	48.6	Open Market
22.12.2011	2,582	5,164	49.8	Open Market
23.12.2011	7,720	15,440	50.8	Open Market
26.12.2011	193,950	387,900	51.7	Open Market
28.12.2011	605,760	1,211,520	53.0	Open Market
29.12.2011	353,007	706,014	52.8	Open Market
04.12.2012	14,120	28,240	52.3	Open Market
15.12.2012	1,500	3,000	49.0	Transfer of Shares
28.12.2012	1,500	3,000	49.0	Transfer of Shares
<b>Total</b>	<b>15,662,993</b>			
<b>Maximum Equity Shares intended to be tendered</b>			<b>Up to 5,224,262</b>	

\* Adjusted for stock split

ARATI KAMALAKSHA NAIK				
Date	No. of Shares*	Nominal Value	Issue Price/Transfer Price	Consideration
09.01.1995	100,000	200,000	2.0	Cash
22.05.1995	425,000	850,000	2.0	Cash
11.02.2000	300,000	600,000	2.0	Cash
02.04.2003	40,000	80,000	NIL	Gift
07.07.2009	1,206,214	2,412,428	NIL	Demerger
10.06.2010	14,762	29,524	49.6	Open Market
11.06.2010	7,252	14,504	49.2	Open Market
22.06.2010	6,722	13,444	52.2	Open Market
24.06.2010	50	100	54.8	Open Market
29.07.2010	340	680	51.2	Open Market
21.12.2011	10,000	20,000	48.7	Open Market

**ARATI KAMALAKSHA NAIK**

Date	No. of Shares*	Nominal Value	Issue Price/Transfer Price	Consideration
22.12.2011	3,983	7,966	49.7	Open Market
23.12.2011	1,505	3,010	50.9	Open Market
26.12.2011	139,994	279,988	51.6	Open Market
27.12.2011	25,000	50,000	52.8	Open Market
28.12.2011	121,800	243,600	52.2	Open Market
25.06.2012	475	950	45.2	Open Market
26.06.2012	3,217	6,434	48.0	Open Market
27.06.2012	23,885	47,770	49.1	Open Market
06.08.2012	5,204	10,408	47.3	Open Market
13.08.2012	6,977	13,954	48.0	Open Market
16.08.2012	6,445	12,890	49.4	Open Market
30.08.2012	10,000	20,000	49.2	Open Market
31.08.2012	22,201	44,402	49.9	Open Market
05.09.2012	9,496	18,992	49.9	Open Market
06.09.2012	2,923	5,846	50.0	Open Market
07.09.2012	3,213	6,426	49.9	Open Market
08.09.2012	8,100	16,200	50.2	Open Market
10.09.2012	4,463	8,926	50.0	Open Market
11.09.2012	7,508	15,016	50.2	Open Market
12.09.2012	1,242	2,484	50.0	Open Market
13.09.2012	2,754	5,508	50.2	Open Market
14.09.2012	8,512	17,024	49.9	Open Market
17.09.2012	88	176	50.7	Open Market
18.09.2012	11,020	22,040	51.5	Open Market
27.09.2012	7,583	15,166	51.6	Open Market
28.09.2012	3,372	6,744	51.5	Open Market
21.11.2012	2,829	5,658	51.6	Open Market
22.11.2012	10,100	20,200	51.4	Open Market
23.11.2012	3,381	6,762	51.4	Open Market
26.11.2012	6,885	13,770	51.8	Open Market
27.11.2012	13,363	26,726	52.3	Open Market
29.11.2012	1,557	3,114	52.0	Open Market
30.11.2012	2,258	4,516	52.3	Open Market
03.12.2012	7,751	15,502	52.2	Open Market
04.12.2012	27,341	54,682	52.3	Open Market
05.12.2012	4,729	9,458	52.3	Open Market
06.12.2012	1,013	2,026	52.2	Open Market
17.12.2012	4,845	9,690	52.7	Open Market
21.12.2012	8,260	16,520	52.3	Open Market
24.12.2012	11,959	23,918	52.8	Open Market
27.12.2012	11,742	23,484	54.4	Open Market
28.12.2012	17,084	34,168	53.9	Open Market
31.12.2012	158,335	316,670	57.5	Open Market
07.02.2013	11,208	22,416	55.2	Open Market
08.02.2013	1,546	3,092	54.9	Open Market
11.02.2013	2,575	5,150	55.0	Open Market
13.02.2013	6,973	13,946	54.5	Open Market
14.02.2013	4,945	9,890	54.8	Open Market
15.02.2013	16,955	33,910	54.9	Open Market
18.02.2013	5,403	10,806	54.9	Open Market
19.02.2013	3,494	6,988	54.9	Open Market
20.02.2013	653	1,306	55.0	Open Market
21.02.2013	2,468	4,936	55.7	Open Market
22.02.2013	4,495	8,990	55.8	Open Market
26.02.2013	3,182	6,364	55.6	Open Market
27.02.2013	2,430	4,860	56.6	Open Market
28.02.2013	4,384	8,768	56.1	Open Market
01.03.2013	4,017	8,034	56.5	Open Market
04.03.2013	8,180	16,360	56.3	Open Market
05.03.2013	2,370	4,740	56.2	Open Market
06.03.2013	2,050	4,100	56.6	Open Market
07.03.2013	2,387	4,774	56.8	Open Market
08.03.2013	4,897	9,794	56.5	Open Market
11.03.2013	7,411	14,822	56.6	Open Market
12.03.2013	227	454	57.2	Open Market
13.03.2013	57,315	114,630	59.7	Open Market
14.03.2013	3,952	7,904	59.4	Open Market
15.03.2013	5,279	10,558	58.4	Open Market
<b>Total</b>	<b>3,013,528</b>			
<b>Maximum Equity Shares intended to be tendered</b>				<b>Up to 1,005,137</b>

\* Adjusted for stock split



LAKSHANA AMIT SHARMA				
Date	No. of Shares*	Nominal Value	Issue Price/Transfer Price	Consideration
09.01.1995	287,500	575,000	2.0	Cash
22.05.1995	212,500	425,000	2.0	Cash
11.03.1997	312,300	624,600	2.0	Share Transfer
17.04.2002	(25,000)	(50,000)	102.0	Open Market
18.04.2002	(10,500)	(21,000)	100.5	Open Market
25.04.2002	(20,000)	(40,000)	101.1	Open Market
28.04.2002	(30,000)	(60,000)	102.5	Open Market
06.05.2002	(14,500)	(29,000)	112.8	Open Market
07.07.2009	993,279	1,986,558	NIL	Demerger
10.06.2010	22,504	45,008	49.3	Open Market
11.06.2010	4,000	8,000	49.1	Open Market
15.06.2010	5,995	11,990	49.6	Open Market
18.06.2010	1,122	2,244	51.6	Open Market
21.06.2010	6,000	12,000	52.4	Open Market
22.06.2010	16,254	32,508	52.2	Open Market
23.06.2010	38,546	77,092	54.2	Open Market
29.07.2010	291	582	50.9	Open Market
11.12.2012	4,785	9,570	51.8	Open Market
12.12.2012	5,719	11,438	52.1	Open Market
13.12.2012	6,673	13,346	52.3	Open Market
14.12.2012	13,373	26,746	52.2	Open Market
<b>Total</b>	<b>1,830,841</b>			
<b>Maximum Equity Shares intended to be tendered</b>				<b>Up to 610,662</b>

\* Adjusted for stock split

SUDHA KAMALAKSHA NAIK				
Date	No. of Shares*	Nominal Value	Issue Price/Transfer Price	Consideration
09.01.1995	150,000	300,000	2.0	Cash
22.05.1995	30,000	60,000	2.0	Cash
11.02.2000	400,000	800,000	2.0	Cash
02.04.2003	40,000	80,000	NIL	Gift
07.07.2009	864,570	1,729,140	NIL	Demerger
10.06.2010	15,430	30,860	49.1	Open Market
29.07.2010	243	486	51.0	Open Market
<b>Total</b>	<b>1,500,243</b>			
<b>Maximum Equity Shares intended to be tendered</b>				<b>Up to 500,394</b>

\* Adjusted for stock split

KAMALAKSHA RAMA NAIK (HUF)				
Date	No. of Shares*	Nominal Value	Issue Price/Transfer Price	Consideration
01.11.2001	6,685	13,370	59.0	Open Market
02.11.2001	4,815	9,630	59.9	Open Market
05.11.2001	3,910	7,820	59.1	Open Market
06.11.2001	1,600	3,200	60.1	Open Market
07.11.2001	2,750	5,500	60.5	Open Market
08.11.2001	250	500	61.5	Open Market
09.11.2001	1,000	2,000	61.6	Open Market
12.11.2001	1,575	3,150	60.9	Open Market
13.11.2001	1,575	3,150	61.2	Open Market
14.11.2001	175	350	61.7	Open Market
15.11.2001	750	1,500	60.8	Open Market
19.11.2001	3,675	7,350	60.4	Open Market
20.11.2001	1,625	3,250	61.4	Open Market
21.11.2001	800	1,600	63.0	Open Market
22.11.2001	525	1,050	62.5	Open Market
23.11.2001	250	500	64.1	Open Market
26.11.2001	125	250	64.1	Open Market
27.11.2001	3,250	6,500	63.1	Open Market
28.11.2001	1,550	3,100	57.2	Open Market
29.11.2001	625	1,250	61.7	Open Market
03.12.2001	750	1,500	61.9	Open Market
04.12.2001	275	550	62.7	Open Market
05.12.2001	125	250	62.3	Open Market
06.12.2001	150	300	61.1	Open Market
07.12.2001	900	1,800	61.1	Open Market
10.12.2001	875	1,750	62.6	Open Market
11.12.2001	1,125	2,250	62.2	Open Market
12.12.2001	1,050	2,100	61.8	Open Market
13.12.2001	7,500	15,000	60.9	Open Market
14.12.2001	875	1,750	61.1	Open Market
14.02.2002	50,000	100,000	62.0	Open Market
02.04.2003	42,100	84,200	NIL	Gift
07.07.2009	199,736	399,472	NIL	Demerger
<b>Total</b>	<b>342,971</b>			
<b>Maximum Equity Shares intended to be tendered</b>			<b>Up to 114,395</b>	

\* Adjusted for stock split

- h) The Company confirms that there are no defaults subsisting in the repayment of deposits, interest payment thereon, redemption of debentures or interest payment thereon or redemption of preference shares or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.
- i) The Board of Directors of the Company has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed an opinion:
- That immediately following the date of the Board Meeting held on 29<sup>th</sup> February, 2016 and the date on which the results of the Postal Ballot will be declared, there will be no grounds on which the Company can be found unable to pay its debts;
  - That as regards the Company's prospects for the year immediately following the date of the board meeting as well as the year immediately following the date on which the results of the Postal Ballot will be declared, approving the Buyback and having regards to the Board's intention with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the board meeting approving the Buyback or within a period of one year from the date on which the results of the Postal Ballot will be declared, as the case may be;
  - In forming its opinion aforesaid, the Board has taken into account the liabilities (including prospective and contingent liabilities) as if the Company were being wound up under the provisions of the Companies Act.
- j) Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency:

The text of the Report dated 29<sup>th</sup> February, 2016 received from Deloitte Haskins & Sells LLP, Chartered Accountants the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

To,  
The Board of Directors,  
Smartlink Network Systems Ltd,  
Plot No. 5, Kuria Bandra Complex Road,  
Santacruz (E), Mumbai 400 098

Dear Sirs,

**Re: Proposed Buy-back of Equity Shares**

In connection with the proposed Buyback of Equity Shares by Smartlink Network Systems Limited (the '**Company**') as approved by the Board of Directors at its meeting held on February 29, 2016, in pursuance of the provisions of Section 68 of the Companies Act, 2013 ("the **Act**") and the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998 (the "**SEBI Buyback Regulations**"), as amended; and based on the information and explanations given to us which were to the best of our knowledge and belief necessary for this purpose, we report that:

1. We have enquired into the state of affairs of the Company in relation to its audited financial statements for the year ended March 31, 2015 which has been approved by the Board of Directors of the Company.
2. The amount of permissible capital payment (including premium) towards the proposed buy back of equity shares as computed in the table below is properly determined in our view in accordance with Section 68 (2)(c) of the Act. The amounts of share capital and free reserves have been extracted from the audited financial statements of the Company for the year ended March 31, 2015.

Particulars as on March 31, 2015		Amount (Rs. in crores)
Paid up capital (3,00,04,850 shares of Rs. 2/- each)	A	6.00
Free Reserves:		
Profit and loss account balance		317.16
Securities Premium		27.86
General reserve		55.67
Total Free Reserves	B	400.69
Total paid up capital and free reserves	A+B	406.69
Maximum amount permissible for buyback under Section 68 of the Companies Act, 2013 (25% of the total paid up capital and free reserves with the Shareholders' Approval)		101.67
Maximum amount permitted by Board Resolution dated February 29, 2016 approving Buyback, subject to shareholder approval, based on the audited financial statements for the year ended March 31, 2015.		82.00

3. The Board of Directors of the Company, in their meeting held on February 29, 2016 have formed their opinion as specified in Part A, clause (x) of Schedule II to the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998, as amended, on reasonable grounds, that the Company, having regard to its state of affairs, will not be rendered insolvent within a period of one year from the date of passing the Board meeting resolution.

We have not performed an audit, the objective of which would be the expression of an opinion on the specified elements, accounts or items thereof, for the purpose of this report. Accordingly we do not express such opinion.

This report has been issued at the request of the Company solely for use of the Company in relation to filling information with the explanatory statement to the notice for special resolution and in connection with the proposed Buyback of equity shares of the Company in pursuance to the provisions of Sections 68 and other applicable provisions of the Companies Act, 2013 and the SEBI Buy-back Regulations, as amended and may not be suitable for any other purpose.

For Deloitte Haskins & Sells LLP  
Chartered Accountants  
(Registration No. 117366W/W-100018)

Abhijit A. Damle  
Partner  
(Membership No. 102912)

Date : February 29, 2016  
Place : Mumbai

**k) General obligations of the Company as per the provisions of the Buy-back Regulations and the Act:**

- i. The Company shall not issue any equity shares or other securities (including by way of bonus) till the date of closure of the Buyback;
- ii. The Company shall not raise further capital for a period of one year from the closure of Buyback offer except in discharge of its subsisting obligations;
- iii. The special resolution approving the Buyback will be valid for a maximum period of one year from the date of passing of the said special resolution (or such extended period as may be permitted under the Companies Act or the Buy-back Regulations or by the appropriate authorities). The exact time table for the Buyback shall be decided by the Board (or its duly constituted Committee) within the above time limits;
- iv. The equity shares bought back by the Company will be compulsorily cancelled and will not be held for re-issuance;
- v. The Company shall not withdraw the Buyback after the public announcement of the offer to Buyback is made;
- vi. The Company shall not buyback locked-in equity shares and non-transferable equity shares till the pendency of the lock-in or till the equity shares become transferable; and
- vii. For any clarifications related to the Buyback process, Members holding equity shares of the Company may contact any one of the following:

1. Company: Smartlink Network Systems Limited  
Contact Person: Ms. Urjita Damle, Company Secretary & Compliance Officer,  
Tel: 0832-2885400; Fax: 0832-2783395; Email: [Company.Secretary@smartlink.co.in](mailto:Company.Secretary@smartlink.co.in)
2. Kotak Mahindra Capital Company (Manager to the Buyback):  
Contact Person: Mr. Ganesh Rane, Tel : +91-22-43360128; Fax : +91-22-67132445;  
Email: [project.smartbuyback@kotak.com](mailto:project.smartbuyback@kotak.com)

All the material documents referred to in the Notice and Explanatory Statement such as the Memorandum and Articles of Association of the Company, relevant Board resolution for the Buyback, the Auditors Report dated 29<sup>th</sup> February, 2016 and the audited accounts for the period from April 1, 2014 to March 31, 2015 are available for inspection by the Members of the Company at its Registered Office on any working day between 10:00 a.m. and 04:00 p.m. up to the last date of receipt of Postal Ballot Form specified in the accompanying Notice.

In the opinion of the Board, the proposal for Buyback is in the interest of the Company and its Members holding Equity Shares of the Company. The Directors, therefore, recommend passing of the Special Resolution as set out in the accompanying Notice.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives are, in anyway, concerned or interested, either directly or indirectly in passing of the said resolution, save and except to the extent of their shareholding in the Company.

**By Order of the Board of Directors  
For Smartlink Network Systems Limited**

**Urjita Damle**  
**Company Secretary**  
Mumbai, 29<sup>th</sup> February, 2016