

Part-II

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,

MUMBAI BENCH

COMPANY SCHEME PETITION NO. OF 2024

IN

COMPANY SCHEME APPLICATION NO. 99 OF 2024.

In the matter of the Companies Act, 2013 (18 of 2013)

AND

In the matter of Sections 230 to 232 other applicable provisions of the Companies Act, 2013 and Rules framed there under as in force from time to time;

AND

In the matter of Scheme of Amalgamation between SYNEGRA EMS LIMITED, ("SEL" or the "Transferor Company") and SMARTLINK HOLDINGS LIMITED, ("SHL" or the "Transferee Company"), and their respective shareholders.

SYNEGRA EMS LIMITED ("SEL"), a public)
limited company incorporated under the)
Companies Act, 2013 having its registered)
office at Plot No. L-5A, Verna Industrial)
Estate, Verna, South Goa, Salcette, Goa, India)
-403722 .)

... Petitioner Company

No.1/ Transferor Company

SMARTLINK HOLDINGS LIMITED)
("SHL"), a public limited company, which is)
listed on recognised stock exchanges,)
incorporated under the Companies Act, 1956)

✓

having its registered office at L-7, Verna)

Industrial Estate, Verna, Salcete, Goa, India -)

403722

) ...Petitioner Company No. 2/

Transferee Company

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THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
MEMORANDUM OF ASSOCIATION
OF
SMARTLINK HOLDINGS LIMITED

- I. The name of the Company is **SMARTLINK HOLDINGS LIMITED**¹.
- II. The Registered Office of the Company will be situated in the State of Goa.
- III. The Objects for which the Company is established are:
- A. THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:**
1. To invest in, acquire, purchase, hold, sell, dispose of or otherwise²
 - 1A. To deal in all types of shares, stocks, debentures, bonds, units of mutual funds, negotiable instruments, commercial paper, certificates of deposits, futures and derivative instruments, securities of any Company, government, public body or authority, municipal and local bodies, whether in India or abroad and to form, incorporate or promote, sell or otherwise dispose-off any company or companies, whether in India or elsewhere; and
 - 1B. To develop, construct, manage, lease, turn to account & deal in real estate and property of all kinds and in particular land, buildings, hereditaments and other property in India or elsewhere any right or interest in real or personal property and any claims against such property or against any persons or company and as regards land to develop the resources thereof any improving and civil constructions of commercial and residential building and to carry on business as builders contractors estate agents and estate managers.
 2. Manufacturing add-on computer parts of all types of applications in communication and networking.
 - 2A To carry on business as manufacturers, producers, processors, makers, convertors, repairers, importers, exporters, traders, buyers, sellers, retailers, wholesale suppliers, intenders, packers, movers, preservers, stockists, agents, sub-agents, merchants, distributors, consignors, jobbers, brokers, concessionaires or otherwise deal in computers, data processors, calculators, tabulators, machines, appliances, accessories, devices and instruments of

¹ Name of the Company was changed from D-Link (India) Limited to Smartlink Network Systems Limited vide Fresh Certificate of Incorporation dated 15.07.2009. Further the name of the Company was changed from Smartlink Network Systems Limited to Smartlink Holdings Limited vide Special Resolution dated 5th April, 2018

² Altered vide Special Resolution dated 5th April, 2018.

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every kind and activation for use in industrial, commercial, banking, scientific, medical, statistical, or any other purpose and any other product or products thereof or materials, articles, software and hardware in connection herewith or ancillary thereto, software development in networking field and other computer applications and infotainment, media telecommunications and entertainment, wireless and any other knowledge based industries.⁴

2B to design, develop, carry out, assist, research in the field of Information Technology on networking products and computer related products, for use

for industrial, commercial, banking, scientific, medical, statistical or any other purpose and assist in providing educational, personal training and any other kind of service or facility relating to information technology, computers, computer programming, internet, information retrieval, data preparation and processing equipment and electronic and electrical equipment and device.⁵

B. MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III(A) ARE:

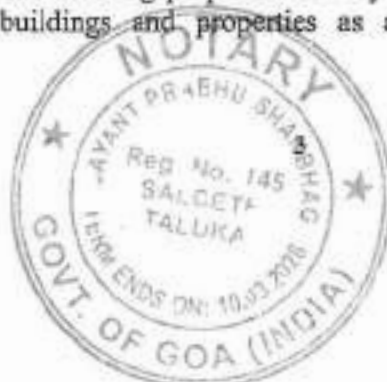
3. To render advisory and consultancy services in respect of know-how, design, manufacture, installation, maintenance and of any products made for calls computers.
4. To establish a bureau for providing computer usage and renting time to users on a block of time and casual basis with special emphasis on computer software development for exports.
5. To carry on research in the manufacture of electronic data processing equipment and to set up factory or workshop, laboratory for such purposes and to educate and train personnel in computer skills of systems, design, operations maintenance and programming and to publish and procure related educational material.
6. To solicit, market, develop, sell, research the usage of computer application and system software abroad and export it from India and to advise on obtaining import licenses and other Government clearance for setting up a computer unit in India and providing the services of procuring computer hardware, tools, accessories and spare parts from abroad.
7. To sub-let all or any contract from time to time and upon such terms and conditions as may be thought expedient.
8. To collaborate with foreign firm for acquiring or offering technical know-how, to employ experts including foreign technicians, to engage consultant, engineers, workmen, bankers, solicitors, advocates, insurers, advertisers, selling and buying agents and others as found expedient and in the interest of Company's business.
9. To expend money in experimenting upon, testing, improving and protecting any process or processes, copy-rights, patent or patents, designs, which the Company may acquire or propose to acquire or deal with.

⁴ Altered vide Special Resolution dated 25/07/2000.

⁵ Inserted vide Special Resolution dated 25/07/2000



10. To establish, provide, maintain and conduct or otherwise subsidize research laboratories and experimental workshops, to carry on research and development in chemical plants, analytical laboratories and to carry on scientific and technical researches, experiments and test of all kinds and to do market research and market survey.
11. To purchase or by any other means acquire and protect, prolong and renew, any trade marks, patents, rights, brevets-d'inventions, protections and concessions which may appear likely to be advantageous or useful to the Company and to use and turn to account and to manufacture under or grant licenses or privileges in respect of the same and to spend money in experimenting upon testing and improving or seeking to improve any patents, inventions or rights which the Company may acquire or propose to acquire.
12. To act as Contractors or sub-contractors, to any State or Central Government, Railways, Port Trust, Municipal Corporations or Municipalities, or District Local Boards, Civil and Military Authorities and any other person, firm or corporation whether Indian or foreign for any purposes whatsoever and to guarantee the performance of any contracts, sub-contracts, licenses and concessions for or in relations to the objects, or business herein mentioned or any of them and to undertake, execute, carry out, dispose of or otherwise turn to account the same.
13. To enter into arrangements with any Government, Railway, Municipal or Local Authorities or other persons or firms which may seem conducive to the attainment of any of the Company's objects and to obtain from any such Government, Railway, Municipal or Local Authority or other persons or firms any rights, privileges and concessions which the Company may think beneficial, to obtain and to carry out exercise or comply with any such arrangements, rights, privileges, and concessions of the Company.
14. To obtain Order or Act of Legislature or Parliament for enabling the Company to obtain all powers and authorities necessary or expedient, to carry out to extent any of the objects of the Company or for any other purpose which may seem expedient and to oppose any proceedings on applications which seem calculated directly or indirectly to prejudice the Company's interest.
15. To amalgamate, enter into partnership or any arrangement for sharing of profits, union of interests, co-operation, joint venture, reciprocal concession or otherwise, with any person, firm or company carrying on or engaged in or about to carry on.
16. To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this Company.
17. To promote any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of this Company.
18. To develop and to turn to account any lands of the Company, whether acquired by purchase or taken on lease, by repairing building sites and by constructing, reconstructing, altering, improving and maintaining offices, flats, houses, factories, warehouses, shops, buildings, works, and conveniences of all kinds and by consolidating or sub-dividing properties and by leasing and disposing of the same to manage lands, buildings and properties as aforesaid whether belonging to the

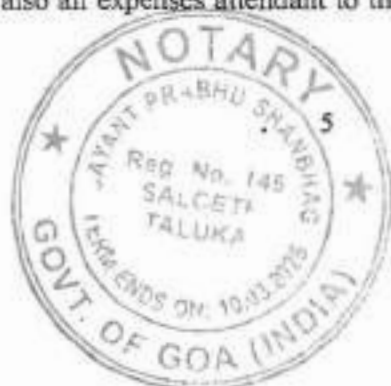


companies or not and to others who may be willing to build on or improve land or buildings in which Company is interested and generally to advance money to such persons on such terms as may be arranged.

19. To purchase or otherwise acquire, take on lease, sell, exchange, surrender, mortgage, charge, convert, turn to account, dispose of, let on hire and deal with property and in particular mortgages, charges, hypothecations, debentures, concessions, options, contracts, patents, trade marks, trade names and copy rights, stocks, shares, bonds, policies, book debts, business concerns and undertakings, claims, privilege and choose in action of kind, machinery, plants, stock-in-trade and any movable and immovable property.
20. To acquire, erect, construct, lay down, enlarge, alter and maintain any buildings works, workshops, plant and machinery necessary or convenient for the Company's business.
21. To plan, design and construct offices and commercial undertakings of any kind for and on behalf of the Company.
22. To sell, or dispose off the property or undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other company, having objects altogether or in part similar to those of the Company.
23. To sell, improve, manage, develop, exchange, lease, mortgage, enfranchise, dispose off, turn to account or otherwise deal with all or any part of the property and the rights of the Company.
24. To pay for any properties or rights acquired by the Company, whether in cash or fully paid up shares or partly in one and partly in the other and generally on such terms as the Company may deem fit.
25. To sell or let out on hire, all or any of the property of the Company whether immovable or movable including all and every description of apparatus or appliances and to hold, use, cultivate, work, manage, improve, carry on and develop, and undertake land and immovable and movable property and assets of any kind of the Company or any part thereof.
26. To distribute any of the Company's property among the members in specie in the event of winding up subject to Companies Act, 2013.
27. To grant leases or licenses in respect of land, buildings and tenements with or without furniture therein.
28. To acquire and take over any business or undertaking carried on upon or in connection with any land or building which the Company may desire to acquire as aforesaid or otherwise or become interested in, and the whole or any of the assets and liabilities of such business or undertakings and to carry on the same or to dispose off, remove, or put an end thereto or otherwise deal with the same as may seem expedient.
29. To open an account or accounts with any person, firm or company or with any bank or banks and to pay into and to withdraw money from such account or accounts.

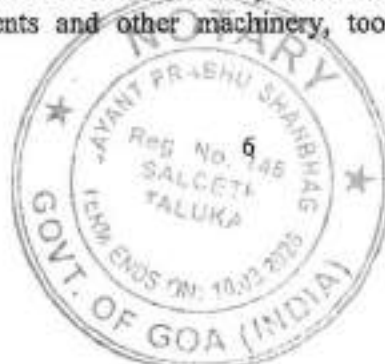


30. To draw, make, accept, endorse, discount, execute, issue, negotiate, assign and otherwise deal in cheques, drafts, promissory notes, bills of exchange, hundies, debentures, bonds, bill of lading, railway receipts, warrants and all other negotiable or transferable instruments.
31. To pay any rights or properties acquired by the Company
32. To issue all or any part of the capital, whether preference or equity shares of the Company at par or at a premium or at a discount and as fully or partly paid for cash or for consideration other than cash or as bonus shares.
33. To borrow or raise or secure the payment of money, or to receive money on deposit at interest, for any of the purposes of the Company on such terms and at such time or times and in such manner as may be thought fit and in particular by the issue at par or at a premium or a discount of debentures or debenture-stock, perpetual or otherwise including debentures or debenture-stock, convertible into shares of this or any other company or perpetual annuities and as securities for any such money so borrowed, raised, or received or of any such debentures or debenture-stock so issued, to mortgage, pledge or charge the whole or any part of the property, assets or revenue or profits of the Company, present and future, including its uncalled capital by special assignment or otherwise, or to transfer or convey the same absolutely or in trust, and to give the lenders power of sale and other powers as may seem expedient, and to purchase redeem or pay off any such securities. The Company shall not, however, carry on the business of Banking as defined in the Banking Regulation Act, 1949 subject to provisions of the Companies Act, 2013 and rules made thereunder and directives of Reserve Bank of India.
34. To lend money to such persons and on such terms as may seem expedient and in particular to members of the staff, customers and other having dealing with the Company and to guarantee performance of the contract by any such person.
35. To invest or deal with the monies of the Company not immediately required, in such manner as may from time to time be determined.
36. To create any reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation, repairing, maintaining, improving or extending any of the property of the Company or of any other purpose conducive to the interests of the Company.
37. To distribute as bonus shares among the members or to place to reserve or otherwise to apply as the Company may from time to time think fit and as Companies Act, 2013 may permit any monies received by way of premium on shares or debentures in respect of forfeited shares and monies arising from the sale by the Company of forfeited shares.
38. To pay out of the funds of the Company, all costs, charges and expenses of and incidental to the formation, registration, advertisement and establishment of the Company and issue and subscription of the shares, for the shares, or loan, capital, including brokerage, commission for obtaining application for or placing or guaranteeing the placing of shares or any debenture-stock and other securities of this Company and also all expenses attendant to the issue of any circular or notice and the



printing, stamping, circulating of proxies and forms to be filled up by the members of the Company.

39. To procure the incorporation or registration or other recognition of the Company and to carry on business in any country, state or place and to take such steps as may be necessary to give the Company such rights and privileges in any part of the world as are possessed by local companies or partnerships or as may be thought desirable.
40. To guarantee or become liable for the payment of money, trust, agency, performance of any obligation and generally to transact all kinds of guarantee, trust or agency business.
41. To make advances of such sum or sums of money in respect of or for the purchase of materials, goods, machinery, stores or any other property, articles and things, required for the purposes of the Company upon such terms with or without security as the Company may deem expedient.
42. To subscribe or otherwise establish trusts, to assist or to guarantee or to charitable, benevolent religious, cultural, scientific, public or other institutions, clubs, societies or funds.
43. To accept upon suitable remuneration or otherwise apprentices for the purpose of being trained in the business with a view to their subsequent employment by the Company or otherwise.
44. To train or pay for the training in India or abroad of any of the Company's employees or any candidates in the interest or for furtherance of Company's object.
45. To remunerate any person, firm or company rendering services to this Company either by cash payment or by allotment to him or them of shares or securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient.
46. To establish and maintain or procure the establishment and maintenance of any provident fund, any contributory pension or superannuation funds, gratuity schemes for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any person or persons who are or were at any time in the employment or services of the Company, of any company which is a subsidiary of the Company or who are or were at any time directors or officers of the Company or of any such company as aforesaid and the wives, widows, families and dependants or any such persons and also establish and subsidise and subscribe to any institution, association, clubs or funds calculated to be for the Company or of any such company as aforesaid and make payments to or towards insurances of any such person as aforesaid and to do any matters as aforesaid either alone or in conjunction with any such other company as aforesaid.
47. To do the above things in any part of the world either alone or in conjunction with other and either as principals, agents, correspondents, contractors, trustees or otherwise and to allow any property to remain outstanding with such agents or trustees and do all such other things as are incidental or may be thought conducive to the attainment of the above objects.
48. To carry on the business of iron founders, mechanical engineers and manufacturers of agricultural implements and other machinery, tool-makers, brass founders, metal-



workers, boiler-makers, mill rights, machinist, iron and steel converters, smiths and to buy, sell, manufacture, repair, convey, alter, let on hire and deal in machinery, implements, rolling stock and hardware of all kinds.

49. To manufacture and/or deal in all chemicals, materials and substances used in the manufacture, production or treatment of all kinds of textiles.
 50. To design, fabricate, deal in, and manufacture, plant equipment, accessories, apparatus, parts and machinery required in textile industry and allied industries.
 51. To carry on agency business of all types.
 52. To purchase, take on lease or on exchange, manage, sell houses, lands and also carry on agricultural operations on land and estate so acquired.
 53. To act as commission agents, importers, exporters of general merchandise goods, products, manufactured goods of all description.
 54. To buy, sell, let on hire, repair, alter and deal in machinery, components, parts, accessories and fittings of all kinds.
 55. To carry on business as dealers, merchants, exporters, hirers, commission agents, guarantee brokers, stockist, merchantile agents in engineering and scientific, instruments or apparatus machinery, plastic materials, chemicals, cements and building materials of all kinds, oils of all kinds, gases, motor cars and other vehicles and accessories, hardware, metals, minerals, coal, timber, cotton, wool, jute, hemp, sesame, fibers, seeds, grains, rice, wheat, tea, coffee, sugar, cinchona, rubber, gum, lac, tobacco, spices, and other agricultural or natural products or forest produce, silk, art silk, nylon and allied materials and articles made there - from oilcakes, paints, varnishes, dyes, matches, glass, glassware, crockery, cutlery porcelain, jewellery, diamonds, precious metals, sanitary ware, groceries, provisions and foodstuffs, toilet preparations and products, patent medicines, drugs, medical and pharmaceutical, products and appliances, live stocks, hides, skin leather and goods make therefore hosiery, textiles of all kinds and all other goods, produce, materials, articles, commodities and merchandise.
- IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.⁶
- V "The Authorized Share Capital of the Company is Rs. 7,00,00,000/- (Rupees Seven Crores only) divided into 3,50,00,000 (Three Crores Fifty Lakhs) Equity Shares of Rs. 2/- (Rupees Two) each."⁷

⁶ Altered vide Special Resolution dated 5th April, 2018.

⁷ Altered vide Special Resolution passed at the Extraordinary General Meeting held on 02/02/2002 & vide Special Resolution dated 5th April, 2018.

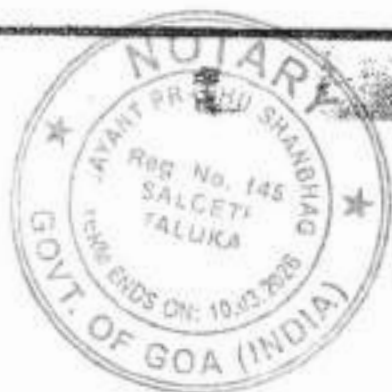


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We, the several persons, whose names, addresses and occupations are hereunder subscribed, are desirous of being formed into a Company in pursuance to this MEMORANDUM OF ASSOCIATION and we respectively agree to take the no. of shares in the capital of the Company set aside to our respective names:

Name, address, description and Occupation, if any, of Subscriber	No. of Equity shares taken by each subscriber	Signature, name, address, description and Occupation of the witness
<p>Sd/- Mr. Kamalaksha R. Naik S/o. Rama S. Naik Plot No.99, Ambivili, Versova Road, Andheri (W), Mumbai - 400058.</p> <p>Occ : Business.</p>	<p>10 (Ten)</p>	<p>Sd/- Devendra Vinayak Kakodkar S/o V. G. Kakodkar 306 Rayu Chambers, Dr. A. Borkar Road, Panaji, Goa. 403001</p>
<p>Sd/- J.S. Gujral, S/o Darshan Singh Gujral, Flat No. 11, 2nd Floor, Gurukripa Bldg., 14th Road, Plot No. 434, Khar, Mumbai - 400 052</p> <p>Occ : Business</p>	<p>10 (Ten)</p>	<p>Chartered Accountant</p>
TOTAL	20 (Twenty)	

Panaji, Goa, 12th March, 1993



THE COMPANIES ACT, 2013
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
SMARTLINK HOLDINGS LIMITED¹

The following regulations comprised in these Articles of Association were adopted pursuant to members' resolution passed at the Annual General Meeting held on 14th August, 2015 in substitution for, and to the entire exclusion of, the earlier regulations comprised in the extant Articles of Association of the Company.

1.	No regulations contained in Table F, in the Schedule I to the Companies Act, 2013, or in the Schedule to any previous Companies Act, shall apply to this Company, but the regulations for the management of the Company and for the observance of the Members thereof and their representatives, shall, subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 2013, be such as are contained in these Articles.	Table F not to apply but Company to be governed by these Articles
INTERPRETATION		
2.	In the interpretation of these Articles, unless repugnant to the subject or context:-	Interpretation clause
	"The Company" or "this Company" means SMARTLINK HOLDINGS LIMITED ¹	"The Company"
	"The Act" means "The Companies Act, 2013" or any statutory, modification or re-enactment thereof for the time being in force and certain sections of the Companies Act, 1956 which are not repealed and for the time being in force.	"The Act"
	"Board of Directors" or "Board", in relation to a company, means the collective body of the directors of the company.	"The Board of Directors" or "The Board"
	"Director" means a director for the time being of the Company	Director
	"Articles" means these articles of association of the Company or as altered from time to time.	"AOA"
	"In Writing" and "Written" include printing, lithography and other modes of representing or reproducing words in a visible form.	"In Writing" and "Written"
	"Rules" means the applicable rules for the time being in force as prescribed under relevant sections of the Act.	"Rules"
	"Seal" means the Common Seal for the time being of the Company.	"Seal"
	Words importing the singular number include, where the context admits or requires, the plural number and vice versa and words importing the masculine gender also	"Number" and "Gender"

¹ Altered vide Special Resolution dated 5th April, 2018

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	include the feminine gender	
	The marginal notes used in these Articles shall not affect the construction thereof.	
	Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.	Expressions in the Articles to bear the same meaning as in the Act
	CAPITAL AND INCREASE AND REDUCTION OF CAPITAL	
3.	The Authorized Share Capital of the Company is Rs. 70,000,000/- (Rupees Seven Crores only) divided into: 70,000,000/- (Rupees Seven Crores only) consisting of 35,000,000/- (Three Crore Fifty Lakhs) equity shares of Rs. 2/- each	Authorised Capital
4.	(a) The Directors shall in making the allotments duly observe the provisions of the Act. (b) Nothing herein contained shall prevent the Directors from issuing fully paid up shares either on payment of the entire nominal value thereof in cash or in satisfaction of any outstanding debt or obligation of the Company.	Restriction on Allotment
5.	(a) Subject to the provisions of the Act and these Articles, the shares in the capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board who may allot the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such terms as they may, from time to time, think fit. (b) Subject to the provisions of the Act and these Articles, the Board may issue and allot shares in the capital of the Company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the Company in the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than for cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares, as the case may be.	Shares under Control of Board. Directors may allot shares otherwise than for cash.
6.	Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer transmission, voting and otherwise.	New capital same as existing capital
	ALTERATION OF CAPITAL	
7.	Subject to the provisions of the Act and the Rules the Company may, (a) increase the share capital by such sum, to be divided into shares of such amount as it thinks expedient; (b) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares; Provided that any consolidation and	Power to alter share capital



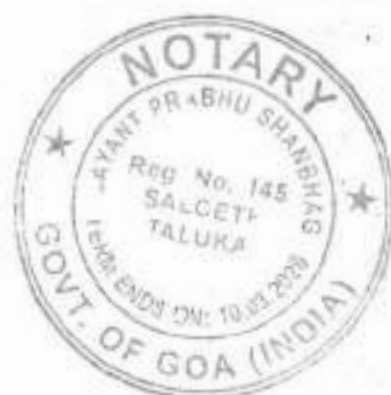
	<p>division which results in changes in the voting percentage of members shall require applicable approvals under the Act;</p> <p>(c) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</p> <p>(d) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;</p> <p>(e) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.</p>	
8.	<p>The Company may, by resolution as prescribed by the Act, reduce in any manner and in accordance with the provisions of the Act and the Rules, —</p> <p>(a) its share capital; and/or</p> <p>(b) any capital redemption reserve account; and/or</p> <p>(c) any securities premium account; and/or</p> <p>(d) any other reserve in the nature of share capital.</p>	Reduction of capital
	SHARES AND CERTIFICATES	
9.	<p>(1) Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after allotment or within one month from the date of receipt by the Company of the application for the registration of transfer or transmission or within such other period as the terms of issue shall provide -</p> <p>(a) one certificate for all his shares without payment of any charges; or</p> <p>(b) several certificates, each for one or more of his shares, upon payment of such charges as may be fixed by the Board for each certificate after the first.</p> <p>(2) Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>(3) In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.</p>	<p>Issue of certificate</p> <p>Certificate to bear seal</p> <p>One certificate for shares held jointly</p>
10.	A person subscribing to shares offered by the Company shall have the option either to receive certificates for such shares or hold the shares in a dematerialized state with a depository. Where a person opts to hold any share with the depository, the Company shall intimate such depository the details of allotment of the share to enable the depository to enter in its records the name of such person as the beneficial owner of that share.	Option to receive share certificate or hold shares with depository
11.	If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Board deems adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of fees for each certificate as may be fixed by the Board.	Issue of new certificate in place of one defaced, lost or destroyed
12.	The provisions of the foregoing Articles relating to issue of certificates shall	Provisions as to issue



	<i>mutatis mutandis</i> apply to issue of certificates for any other securities (except where the Act otherwise requires) of the Company.	of certificates to apply <i>mutatis mutandis</i> to any other securities etc.
13.	<p>(1) The Company may exercise the powers of paying commissions conferred by the Act, to any person in connection with the subscription to its securities, provided that the rate percent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by the Act and the Rules.</p> <p>(2) The rate or amount of the commission shall not exceed the rate or amount prescribed in the Rules</p> <p>(3) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other</p>	<p>Power to pay commission in connection with securities issued</p> <p>Rate of commission in accordance with Rules</p> <p>Mode of payment in commission</p>
14.	Subject to the provisions of the Act, the Board shall have the power to issue or re-issue preference shares of one or more classes which are liable to be redeemed, or converted to equity shares, on such terms and conditions and in such manner as determined by the Board in accordance with the Act.	Power to issue redeemable preference shares
15.	<p>(1) The Board or the Company, as the case may be, may, in accordance with the Act and the Rules, issue further shares to –</p> <p>(a) persons who, at the date of offer, are holders of equity shares of the Company; such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; or</p> <p>(b) employees under any scheme of employees' stock option; or</p> <p>(c) any persons, whether or not those persons include the persons referred to in clause (a) or clause (b) above.</p> <p>(2) A further issue of shares may be made in any manner whatsoever as the Board may determine including by way of preferential offer or private placement, subject to and in accordance with the Act and the Rules</p>	<p>Further issue of share capital</p> <p>Mode of further issue of shares.</p>
CALLS		
16.	The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the person or persons and at the time and place appointed by the Board. A call may be made payable by installments.	Directors may make calls
17.	Fourteen days notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of calls
18.	A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board.	Calls to date from resolution
19.	A call may be revoked or postponed at the discretion of the Board.	Call may be revoked or postponed



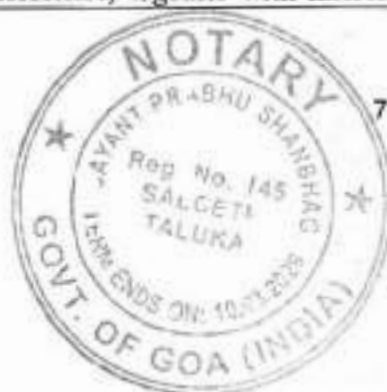
20.	The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.	Liability of joint-holders
21.	The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the Members who from residence at a distance or other cause the Board may deem fairly entitled to such extension but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time
22.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 10 per cent per annum or at such lower rate, if any, as the Board may determine.	Non-payment of Calls on time to carry interest
23.	Any sum, which by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.	Sums deemed to be calls
24.	On the trial or hearing of any action or suit brought by the company against any Member or his representatives for the recovery, of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered appears entered on the Register of Members as the holder at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the shares in respect of which such money is sought to be recovered; that the resolution making the call is duly recorded in the Minute Book; and that notice of such call was duly given to the Members or his representatives sued in pursuance of these Articles and that it shall not be necessary to prove the appointment of the Directors who made such call nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive of the debt.	Proof on trial of suit for money due on shares
25.	Neither the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.	Partial payment not to preclude forfeiture
26.	a) The Board may, if it thinks fit, agree to and receive from any Member willing to advance the same all or any part of the amounts of his shares beyond the sums actually called up; and upon the money so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on	Payment in anticipation of calls may carry interest



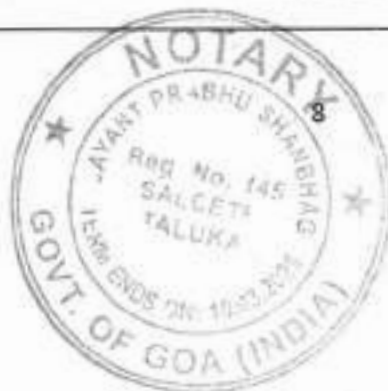
	<p>account of which such advances are made, the Board may pay or allow interest, at such rate (not exceeding without the sanction of the Company in General Meeting 12 per cent per annum) as the Member paying the sum in advance and the Board agree upon.</p> <p>b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable and shall it confer a right to dividend or participate in profits.</p>	
	LIEN	
27.	<p>1. The Company shall have a first and paramount lien -</p> <p>(a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and</p> <p>(b) on all shares (not being fully paid shares) standing registered in the name of a member, for all monies presently payable by him or his estate to the Company:</p> <p>Provided that the Board may at any time declare any share to be wholly or in part exempt from the provisions of this clause.</p> <p>2. The Company's lien, if any, on a share shall extend to all dividends or interest, as the case may be, payable and bonuses declared from time to time in respect of such shares for any money owing to the Company.</p> <p>3. Unless otherwise agreed by the Board, the registration of a transfer of shares shall operate as a waiver of the Company's lien.</p>	<p>Company's Lien on shares</p> <p>Lien to extend to dividends, etc</p> <p>Waiver of lien in case of registration</p>
28.	<p>The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien:</p> <p>Provided that no sale shall be made—</p> <p>(a) unless a sum in respect of which the lien exists is presently payable; or</p> <p>(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or to the person entitled thereto by reason of his death or insolvency or otherwise.</p>	As to enforcing lien by sale.
29.	<p>1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.</p> <p>2) The purchaser shall be registered as the holder of the shares comprised in any such transfer.</p> <p>3) The receipt of the Company for the consideration (if any) given for the share on the sale thereof shall (subject, if necessary, to execution of an instrument of transfer or a transfer by relevant system, as the case may be) constitute a good title to the share and the purchaser shall be registered as the holder of the share.</p> <p>4) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings with reference to the sale</p>	<p>Validity of sale</p> <p>Purchaser to be registered holder</p> <p>Validity of Company's receipt</p> <p>Purchaser not affected</p>
30.	(1) The proceeds of the sale shall be received by the Company and applied in	Application of



	<p>payment of such part of the amount in respect of which the lien exists as is presently payable.</p> <p>(2) The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the shares before the sale, be paid to the person entitled to the shares at the date of the sale.</p>	<p>proceeds of sale</p> <p>Payment of residual money</p>
31.	The provisions of these Articles relating to lien shall mutatis mutandis apply to any other securities of the Company, if any	Provisions as to lien to apply mutatis mutandis to any other securities etc.
FORFEITURE OF SHARES		
32.	If a Member fails to pay any call or instalment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may at any time thereafter, during such time as the call or instalment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.	If money payable on share not paid, notice to be given to Member
33.	The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate as the Directors shall determine from the day on which such call or instalment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	Terms of Notice
34.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	In default of payment shares to be forfeited
35.	When any share shall have been so forfeited, notice of the forfeiture shall be given to the Member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.	Notice of forfeiture to a Member
36.	Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.	Forfeited shares to be property of the Company and may be sold etc.
37.	Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the	Member still liable to pay money owing at time of forfeiture and interest



	forfeiture, until payment at such rate as the Board may determine and the board may enforce the payment thereof, if it thinks fit.	
38.	The forfeiture of a share shall involve extinction, at the time of the forfeiture of all interest in and all claims and demands, against the Company, in respect of the shares and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture
39.	A duly verified declaration in writing that the declarant is a Director or Secretary of the Company and that a share in the Company has been duly forfeited in accordance with these Articles on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	Evidence of forfeiture
40.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register in respect of such shares the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
41.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting Member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificates in respect of forfeited shares
42.	The Board may at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.	Power to annul forfeiture
43.	The provisions of these Articles relating to forfeiture of shares shall <i>mutatis mutandis</i> apply to any other securities of the Company.	Provisions as to forfeiture of shares to apply <i>mutatis mutandis</i> to any other securities, etc.
TRANSFER OF SHARES		
44.	The Company shall keep a 'Register of Transfers' and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share held in material form.	Register of Transfers
45.	(1) The instrument of transfer of any share in the Company shall be duly executed by or on behalf of both the transferor and transferee. (2) The transferor shall be deemed to remain a holder of the share until the name of the transferee is entered in the register of members in respect thereof.	Instrument of transfer to be executed by transferor and transferee



46.	The Board may, subject to the right of appeal conferred by the Act decline to register - (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or (b) any transfer of shares on which the Company has a lien.	Board may refuse to register transfer
47.	In case of shares held in physical form, the Board may decline to recognize any instrument of transfer unless - (a) the instrument of transfer is duly executed and is in the form as prescribed in the Rules made under the Act; (b) the instrument of transfer is accompanied by the certificate of the shares to which it relates, and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; and (c) the instrument of transfer is in respect of only one class of shares.	Board may decline to recognize instrument of transfer
48.	On giving of previous notice of not less than seven days or such lesser period in accordance with the Act and Rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine: Provided that such registration shall not be suspended for more than thirty days at any one time or for more than forty- five days in the aggregate in any year.	Transfer of shares when suspended
49.	Where, in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of the Act.	Notice of application when to be given
50.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the Register of Members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto, in any book of the Company, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.	Company not liable for disregard of a notice prohibiting registration of a transfer
51.	The instrument of transfer shall, after registration, remain in the custody of the Company. The Board may cause to be destroyed all transfer deeds lying with the Company for a period of ten years or more.	Custody of transfer
52.	a. The Company shall keep a Register of Members, and therein shall be entered the particulars of every transfer or transmission of any share and all other particulars of shares required by the Act to be entered in such Register. b. The Board may, after giving not less than seven days previous notice or such lesser period as may be specified by Securities and Exchange Board of	Register of members Closure of Register of Members



	<p>India by advertisement in some newspapers circulating in the district in which the Registered Office of the Company is situated, close the Register of Members for any period or periods not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.</p> <p>c. All instruments of transfer which shall be registered shall be retained by the Company but any instrument of transfer which the Directors may decline to register shall be returned to the person depositing the same.</p>	When instruments of transfer to be retained
53.	The provisions of these Articles relating to transfer of shares shall <i>mutatis mutandis</i> apply to any other securities of the Company.	Provisions as to transfer of shares to apply <i>mutatis mutandis</i> to any other Securities
TRANSMISSION OF SHARES		
54.	<p>(1) On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognized by the Company as having any title to his interest in the shares.</p> <p>(2) Nothing in clause (1) shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	<p>Title to shares on death of a member</p> <p>Estate of deceased member liable</p>
55.	<p>1) Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either –</p> <p>(a) to be registered himself as holder of the share; or</p> <p>(b) to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>2) The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p> <p>3) The Company shall be fully indemnified by such person from all liability, if any, by actions taken by the Board to give effect to such registration or transfer.</p>	<p>Transmission Clause</p> <p>Board's right unaffected</p> <p>Indemnity to the Company</p>
56.	<p>(1) If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.</p> <p>(2) If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>(3) All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.</p>	<p>Right to election of holder of share</p> <p>Manner of testifying election</p> <p>Limitations applicable to notice</p>
57.	A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the share.	Claimant to be entitled to same advantage



	except that he shall not, before being registered as a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company: Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.	
53.	The provisions of these Articles relating to transmission by operation of law shall <i>mutatis mutandis</i> apply to any other securities of the Company.	Provisions as to transmission to apply <i>mutatis mutandis</i> to any other Securities etc.
JOINT HOLDERS		
59.	Where two or more persons are registered as joint holders (not more than three) of any share, they shall be deemed (so far as the Company is concerned) to hold the same as joint tenants with benefits of survivorship, subject to the following and other provisions contained in these Articles: (a) The joint-holders of any share shall be liable severally as well as jointly for and in respect of all calls or instalments and other payments which ought to be made in respect of such share. (b) On the death of any one or more of such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit, and nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person. (c) Any one of such joint holders may give effectual receipts of any dividends, interests or other moneys payable in respect of such share. (d) Only the person whose name stands first in the register of members as one of the joint-holders of any share shall be entitled to the delivery of certificate, if any, relating to such share or to receive notice (which term shall be deemed to include all relevant documents) and any notice served on or sent to such person shall be deemed service on all the joint-holders. (e) (i) Any one of two or more joint-holders may vote at any meeting either personally or by attorney or by proxy in respect of such shares as if he were solely entitled thereto and if more than one of such jointholders be present at any meeting personally or by proxy or by attorney then that one of such persons so present whose name stands first or higher (as the case may be) on the register in respect of such shares shall alone be entitled to vote in respect thereof (ii) Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this clause be deemed joint-holders. (f) The provisions of these Articles relating to joint holders of shares shall	Joint-holders Liability of Jointholders Death of one or more joint-holders Receipt of one sufficient Delivery of certificate and giving of notice to first named holder Vote of joint holders Executors or administrators as joint holders Provisions as to joint



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	mutatis mutandis apply to any other securities of the Company registered in joint names.	holders as to shares to apply to any other securities
	CAPITALISATION OF PROFITS	
60.	<p>(1) The Company in general meeting may, upon the recommendation of the Board, resolve —</p> <p>a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</p> <p>b) that such sum be accordingly set free for distribution in the manner specified in clause (2) below amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3) below, either in or towards:</p> <p>(a) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(b) paying up in full, unissued shares or other securities of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such members in the proportions aforesaid;</p> <p>(c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b)</p> <p>(3) A securities premium account and a capital redemption reserve account or any other permissible reserve account may, for the purposes of this Article, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this Article;</p>	<p>Capitalisation</p> <p>Sum how applied</p>
61.	<p>1) Whenever such a resolution as aforesaid shall have been passed, the Board shall -</p> <p>(a) make all appropriations and applications of the amounts resolved to be capitalised thereby, and all allotments and issues of fully paid shares or other securities, if any; and</p> <p>(b) generally do all acts and things required to give effect thereto</p> <p>2) The Board shall have power -</p> <p>(a) to make such provisions, by the issue of fractional certificates/coupons or by payment in cash or otherwise as it thinks fit, for the case of shares or other securities becoming distributable in fractions; and</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares or other securities to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the Company on their behalf, by the application thereto</p>	<p>Powers of the Board for capitalization</p> <p>Board's power to issue fractional certificate/coupon etc.</p>



	of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares. 3) Any agreement made under such authority shall be effective and binding on such members.	Agreement binding on members
	BUY-BACK OF SHARES	
62.	Notwithstanding anything contained in these Articles but subject to all applicable provisions of the Act or any other law for the time being in force, the Company may purchase its own shares or other specified securities.	Buy-back of shares
	SET OFF OF MONEY DUE TO SHAREHOLDERS	
63.	Any money due from the Company to a shareholder may, without the consent of such shareholder, be applied by the Company in or towards payment of any money due from him, either alone or jointly with any other person, to the person, to the Company in respect of calls.	Set-off of moneys due to shareholders
	DEMATERIALISATION OF SECURITIES	
64.	<p>a) Definitions For the purpose of this Article: 'Beneficial Owner' means a person or persons whose name is recorded as such with a depository; 'SEBI' means the Securities and Exchange Board of India; 'Depository' means a company formed and registered under the Companies Act, 1956 or Companies Act, 2013 or any other law and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992, and 'Security' means such security as may be specified by SEBI from time to time.</p> <p>b) Dematerialisation of securities Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its securities and to offer securities in a dematerialised form pursuant to the Depositories Act, 1996 and the rules framed thereunder, if any.</p> <p>c) Options for investors Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a depository. Such a person, who is the beneficial owner of the securities, can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provided by the Depositories Act and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold his security with a depository, the Company shall intimate such depository the details of allotment of the security, and on receipt of the information, the depository shall enter in its record the name of the allottee as the beneficial owner of the security.</p> <p>d) Securities in depositories to be in fungible form All securities held by a depository shall be dematerialised and be in fungible form. Nothing contained in Sections 89 of the Act shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.</p>	<p>Definitions</p> <p>Dematerialisation of securities</p> <p>Options for investors</p> <p>Fungible securities</p>

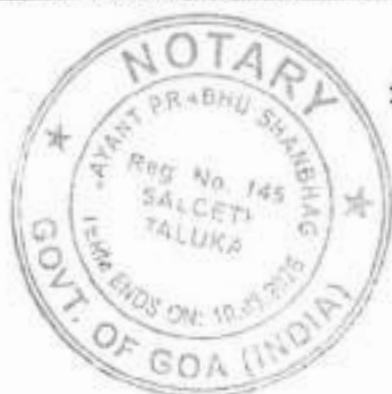


<p>e) Rights of depositories and beneficial owners: (i) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner. (ii) Save as otherwise provided in (a) above, the depository, as the registered owner of the securities, shall not have any voting rights or any other rights in respect of the securities held by it. (iii) Every person holding securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a depository.</p>	<p>Rights of depositories and beneficial owners</p>
<p>f) Service of documents Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies or discs.</p>	<p>Service of documents</p>
<p>g) Transfer of securities Nothing contained in Section 56 of the Act or these Articles shall apply to transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p>	<p>Transfer of securities</p>
<p>h) Allotment of securities dealt with in a depository Notwithstanding anything in the Act or these Articles, where securities are dealt with in a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p>	<p>Allotment of securities dealt with in a depository</p>
<p>i) Distinctive numbers of securities held in a depository Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers of securities issued by the Company shall apply to securities held in a depository.</p>	<p>Distinctive numbers of securities held in a depository</p>
<p>j) Register and Index of Beneficial owners The Register and Index of Beneficial Owners, maintained by a depository under the Depositories Act, 1996, shall be deemed to be the Register and Index of Members and Security Holders for the purposes of these Articles.</p>	<p>Register and Index of Beneficial owners</p>
<p>k) Company to recognise the rights of registered holders as also the beneficial owners in the records of the depository. Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the beneficial owner of the shares in records of the depository as the absolute owner thereof as regards receipt of dividends or bonus or services of notices and all or any other matters connected with the Company, and accordingly, the Company shall not, except as ordered by a Court of competent jurisdiction or as by law required, be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person, whether or not it shall have express or implied notice</p>	<p>rights of registered holders</p>



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	thereof.	
	GENERAL MEETING	
65.	All general meetings other than annual general meeting shall be called extraordinary general meeting.	Extraordinary general meeting
66.	The Board may, whenever it thinks fit, call an extraordinary general meeting.	Powers of Board to call extraordinary general meeting
	PROCEEDINGS AT GENERAL MEETING	
67.	(1) No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. (2) No business shall be discussed or transacted at any general meeting except election of Chairperson whilst the chair is vacant. (3) The quorum for a general meeting shall be as provided in the Act.	Presence of Quorum Business confined to election of Chairperson whilst chair vacant Quorum for general meeting
68.	The Chairperson of the Company shall preside as Chairperson at every general meeting of the Company.	Chairperson of the meetings
69.	If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.	Directors to elect a Chairperson
70.	If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall, by poll or electronically, choose one of their members to be Chairperson of the meeting.	Members to elect a Chairperson
71.	On any business at any general meeting, in case of an equality of votes, whether on a show of hands or electronically or on a poll, the Chairperson shall have a second or casting vote.	Casting vote of Chairperson at general meeting
72.	(1) The Company shall cause minutes of the proceedings of every general meeting of any class of members or creditors and every resolution passed by postal ballot to be prepared and signed in such manner as may be prescribed by the Act and Rules and kept by making within thirty days of the conclusion of every such meeting concerned or passing of resolution by postal ballot entries thereof in books kept for that purpose with their pages consecutively numbered. (2) There shall not be included in the minutes any matter which, in the opinion of the Chairperson of the meeting - (a) is, or could reasonably be regarded, as defamatory of any person; or (b) is irrelevant or immaterial to the proceedings; or (c) is detrimental to the interests of the Company. (3) The Chairperson shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds	Minutes of proceedings of meetings and resolutions passed by postal ballot Certain matters not to be included in Minutes Discretion of chairperson in



	specified in the aforesaid clause.	relation to Minutes
	(4) The minutes of the meeting kept in accordance with the provisions of the Act shall be evidence of the proceedings recorded therein.	Minutes to be evidence
73.	<p>(1) The books containing the minutes of the proceedings of any general meeting of the Company or a resolution passed by postal ballot shall:</p> <p>(a) be kept at the registered office of the Company; and</p> <p>(b) be open to inspection of any member without charge, during office hours, on all working days other than Saturdays</p> <p>(2) Any member shall be entitled to be furnished, within the time prescribed by the Act, after he has made a request in writing in that behalf to the Company and on payment of such fees as may be fixed by the Board, with a copy of any minutes referred to in clause (1) above, Provided that a member who has made a request for provision of a soft copy of the minutes of any previous general meeting held during the period immediately preceding three financial years, shall be entitled to be furnished with the same free of cost.</p>	<p>Inspection of minute books of general meeting</p> <p>Members may obtain copy of minutes</p>
74.	The Board, and also any person(s) authorised by it, may take any action before the commencement of any general meeting, or any meeting of a class of members in the Company, which they may think fit to ensure the security of the meeting, the safety of people attending the meeting, and the future orderly conduct of the meeting. Any decision made in good faith under this Article shall be final and right to attend and participate in the meeting concerned shall be subject to such decision.	Powers to arrange security at meetings
	ADJOURNMENT OF MEETING	
75.	<p>(1) The Chairperson may, <i>suo motu</i>, adjourn the meeting from time to time and from place to place.</p> <p>(2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>(3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>(4) Save as aforesaid, and save as provided in the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.</p>	<p>Chairperson may adjourn the meeting</p> <p>Business at adjourned meeting</p> <p>Notice of adjourned meeting</p> <p>Notice of adjourned meeting not required</p>
	VOTING RIGHTS	
76.	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares -</p> <p>(a) on a show of hands, every member present in person shall have one vote; and</p> <p>(b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.</p>	Entitlement to vote on show of hands and on poll
77.	A member may exercise his vote at a meeting by electronic means in accordance with the Act and shall vote only once.	Voting through electronic means
78.	(1) In the case of joint holders, the vote of the senior who tenders a vote,	Vote of joint-holders



	whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. (2) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	Seniority of names
79.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy. If any member be a minor, the vote in respect of his share or shares shall be by his guardian or any one of his guardians.	How members <i>non compos mentis</i> and minor may vote
80.	Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the Transmission Clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall duly satisfy the Board of his right to such shares unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members, etc.
81.	Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.	Business may proceed pending poll
82.	No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the Company have been paid or in regard to which the Company has exercised any right of lien.	Restriction on voting rights
83.	A member is not prohibited from exercising his voting on the ground that he has not held his share or other interest in the Company for any specified period preceding the date on which the vote is taken, or on any other ground not being a ground set out in the preceding Article.	Restriction on exercise of voting rights in other cases to be void
84.	Any member whose name is entered in the register of members of the Company shall enjoy the same rights and be subject to the same liabilities as all other members of the same class.	Equal rights of members
PROXY		
85.	(1) Any member entitled to attend and vote at a general meeting may do so either personally or through his constituted attorney or through another person as a proxy on his behalf, for that meeting. (2) The instrument appointing a proxy and the power-of- attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.	Member may vote in person or otherwise Proxies when to be deposited
86.	An instrument appointing a proxy shall be in the form as prescribed in the Rules.	Form of proxy
87.	A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed,	Proxy to be valid notwithstanding death of the principal



	or the transfer of the shares in respect of which the proxy is given:	
	Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.	
	BOARD OF DIRECTORS	
88.	Unless otherwise determined by a General Meeting, the number of Directors shall not be less than 3 (Three) and not more than 15 (Fifteen).	Number of Directors
89.	<p>Subject to the provisions of Act,</p> <ol style="list-style-type: none"> The Board of Directors may appoint or re-appoint one or more of their body, not exceeding two, to be the Managing Director or Managing Directors of the Company for such period not exceeding 5 years as it may deem fit, subject to such approval of the Central Government as may be necessary in that behalf. The remuneration payable to a Managing Director shall be determined by the Board of Directors subject to the sanction of the Company in General Meeting and of the Central Government, if required. If at any time there are more than one Managing Director, each of the said Managing Directors may exercise individually all the powers and perform all the duties that a single Managing Director may be empowered to exercise or required to perform under the Companies Act or by these presents or by any Resolution of the Board of Directors and subject also to such restrictions or conditions as the Board may from time to time impose. The Managing Director shall not be liable to retire by rotation. The Board of Directors may at any time and from time to time designate any Managing Director as Deputy Managing Director or Joint Managing Director or by such other designation as it deems fit. Subject to the supervision, control and directions of the Board of Directors, the Managing Director/Managing Directors shall have the management of the whole of the business of the Company and of all its affairs and shall exercise all powers and perform all duties and in relation to the management of the affairs, except such powers and such duties as are required by Law or by these presents to be exercised or done by the Company in General Meeting or by the Board and also subject to such conditions and restrictions imposed by the Act or by these presents or by the Board of Directors. 	Managing Director
90.	<ol style="list-style-type: none"> Subject to the provisions of the Act, the Board may appoint one or more of its body, as Whole-time Director or Wholetime Directors on such designation and on such terms and conditions as it may deem fit. The Whole-time Director's shall perform such duties and exercise such powers as the Board may from time to time determine which shall exercise all such powers and perform all such duties subject to the control, supervision and directions of the Board and subject thereto the supervision and directions of the Managing Director. The remuneration payable to the Whole-time Directors shall be determined by the 	Wholetime Director



	<p>Company in General Meeting, subject to the approval of the Central Government, if any, required in that behalf.</p> <p>2. A Whole-time Director shall (subject to the provisions of any contract between him and the Company) be subject to the same provisions as to resignation and removal as the other Directors, and he shall, ipso facto and immediately, cease to be Whole-time Director, if he ceases to hold the Office of Director from any cause except where he retires by rotation in accordance with the Articles at an Annual General Meeting and is re-elected as a Director at that Meeting.</p>	
91.	All cheques, promissory notes, drafts, hundis, bills of exchange and other negotiable instruments, and all receipts for monies paid to the Company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine.	Execution of Negotiable instruments
92.	Any person, whether a member of the Company or not, may be appointed as a Director. No qualification by way of holding shares in the capital of the Company shall be required of any Director.	Qualifications of Directors
93.	<p>a. The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from time day-to-day.</p> <p>b. The remuneration payable to the directors, including any managing or whole-time director or manager, if any, shall be determined in accordance with and subject to the provisions of the Act.</p> <p>c. Until otherwise determined by the Company in General Meeting, each Director shall be entitled to receive and be paid out of the funds of the Company a fee for each meeting of the Board of Directors or any committee thereof, attended by him as may be fixed by the Board of Directors from time to time subject to the provisions of the Act and the Rules made thereunder. For the purpose of any resolution in this regard, none of the Directors shall be deemed to be interested in the subject matter of the resolution. The Directors shall also be entitled to be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at meetings of the Board or of any committee of the Board or otherwise in the execution of their duties as Directors either in India or elsewhere. The Managing/ Whole-time Director of the Company, who is a full time employee, will not be paid any fee for attending Board Meetings.</p>	Director's remuneration
94.	The Directors may from time to time elect from among their number a Chairman of the Board and determine the periods for which he is to hold office. If at any meeting of the Board the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of their number to be Chairman of the meeting.	Chairman of the Board
95.	If the office of any Director becomes vacant before the expiry of the period of his Directorship in normal course, the resulting casual vacancy may be filled by the Board at a Meeting of the Board subject to Section 161 of the Act. Any person so appointed shall hold office only upto the date which the Director in whose place he is appointed would have held office if the vacancy had not occurred as aforesaid.	Casual vacancy



96.	<p>(a) The Board may appoint an Alternate Director to act for a Director hereinafter called in this clause "the Original Director" during his absence for a period of not less than 3 months from India.</p> <p>(b) An Alternate Director appointed as aforesaid shall vacate office if and when the Original Director returns to India.</p> <p>(c) The Directors may appoint such number of Independent Directors as are required under the provisions of the Act or the Listing Agreement, whichever is higher, from time to time.</p> <p>(d) The Directors shall appoint atleast one woman director as per the requirements of the Act.</p> <p>(e) Subject to the provisions of the Act,—</p> <p>(i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; The Board may appoint one or more CEO for its multiple businesses.</p> <p>(ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.</p>	<p>Alternate Director</p> <p>Independent Directors</p> <p>Woman Director</p> <p>Chief Executive Officer, etc.,</p>
97.	The Directors may, from time to time, appoint a person as an Additional Director provided that the number of Directors and Additional Directors together shall not exceed the maximum number of Directors fixed by the Articles. Any person so appointed as an Additional Director shall hold office upto the date of the next Annual General Meeting of the Company.	Additional Directors
98.	The proportion of directors to retire by rotation shall be as per the provisions of the Act.	Proportion of retirement by rotation
99.	Except as otherwise provided by these Articles and subject to the provisions of the Act, all the Directors of the Company shall have in all matters equal rights and privileges, and be subject to equal obligations and duties in respect of the affairs of the Company.	Right of Directors
100.	Notwithstanding anything contained in these presents, any Director contracting with the Company shall comply with the applicable provisions of the Act.	Directors contracting to comply with the provisions of the Act
101.	Subject to the limitations prescribed in the Companies Act, 2013, the Directors shall be entitled to contract with the Company and no Director shall be disqualified by having contracted with the Company as aforesaid.	Directors power to contract with Company
102.	Subject to provisions of the Act, the Company, by Ordinary Resolution, may at any time remove any Director except Government Directors before the expiry of his period of office, and may by Ordinary Resolution appoint another person in his place. The person so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforementioned. A Director so removed from office shall not be re-appointed as a Director by the Board of Directors. Special Notice shall be required of any resolution to remove a Director under this Article, or to appoint somebody instead of the Director at the meeting at which he is removed.	Power to remove Directors by ordinary resolution



103.	Subject to the provisions of the Act, a person not being a retiring Director shall be eligible for appointment to the office of a Director at any general meeting if he or some other member intending to propose him as a Director has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of the Director, or the intention of such member to propose him as a candidate for that office, as the case may be "along with a deposit of such sum as may be prescribed by the Act or the Central Government from time to time which shall be refunded to such person or as the case may be, to such member, if the person succeeds in getting elected as a Director or gets more than 25% of total valid votes cast either on show of hands or electronically or on poll on such resolution".	Rights of persons other than retiring Directors to stand for Directorships
104.	The Company shall keep at its Registered Office a register containing the addresses and occupation and the other particulars as required by the Act of its Directors and Key Managerial Personnel.	Register of Directors and KMP and their shareholding
PROCEEDINGS OF THE BOARD		
105.	<p>a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit, provided that a meeting of the Board shall be held at least once in every one hundred and twenty days; and at least four such meetings shall be held in every year.</p> <p>b) The participation of directors in a meeting of the Board may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.</p> <p>c) The quorum for a Board Meeting shall be as provided under the Act.</p>	<p>Meeting of the Board</p> <p>Participation at Board meetings</p> <p>Quorum for Board Meetings</p>
106.	A Director/ Chairperson of the company may at any time request the Secretary to convene a meeting of the Directors and seven days notice of meeting of directors shall be given to every director and such notice shall be sent by hand delivery or by post or by electronic means provided that a meeting of the Board may be called at shorter notice to transact urgent business subject to the condition that atleast one independent director shall be present at the meeting.	Director may summon meeting
107.	<p>a. Save as otherwise expressly provided in the Act, a meeting of the Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the regulations of the Company for the time being vested in or exercisable by the Directors generally and all questions arising at any meeting of the Board shall be decided by a majority of the Board.</p> <p>b. In case of an equality of votes, the Chairman shall have a second or casting vote.</p>	Question at the Board Meeting how decided
108.	The continuing Directors may act notwithstanding any vacancy in the Board, but if and as long as their number is reduced below the quorum fixed by the Act, the continuing Directors or Director may act for the purpose of increasing the number of Directors to that fixed by the quorum, or of summoning a General Meeting of the Company and for no other purpose.	Right of continuing Directors when there is no quorum
109.	(1) The Chairperson of the Company shall be the Chairperson at meetings of	Who to preside at



	the Board. In his absence, the Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. (2) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting, the directors present may choose one of their member to be Chairperson of the meeting.	meetings of the Board Directors to elect a Chairperson
110.	a. The Board may, from time to time, and at any time and in compliance with provisions of the act and listing agreement constitute one or more Committees of the Board consisting of such member or members of its body, as the Board may think fit. b. Subject to the provisions of the Act, the Board may delegate from time to time and at any time to any Committee so appointed all or any of the powers, authorities and discretions for the time being vested in the Board and such delegation may be made on such terms and subject to such conditions as the Board may think fit and subject to provisions of the act and listing agreement. c. The Board may from, time to time, revoke, add to or vary any powers, authorities and discretions so delegated subject to provisions of the act and listing agreement.	Power to appoint Committees Delegation of powers Variation of Powers
111.	a. The meeting and proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto, and not superseded by any regulations made by the Directors under the last proceeding Article. b. The participation of directors in a meeting of the Committee may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.	Proceedings of Committee Participation at Committee meetings
112.	a. A Committee may elect a Chairperson of its meetings unless the Board while constituting a Committee has appointed a Chairperson of such Committee. b. If no such Chairperson is elected or if at any meeting the Chairperson is not present within 15 minutes after the time appointed for holding the meeting the members present may choose one of their members to be Chairperson of the meeting of the Committee.	Election of Chairman of the Committee Who to preside at meetings of the Committee
113.	a. A Committee may meet and adjourn as it thinks proper. b. Questions arising at any meeting of a Committee shall be determined by the sole member of the Committee or by a majority of votes of the members present as the case may be and in case of an equality of votes, the Chairman shall have a second or casting vote.	Committee to meet Questions how determined
114.	All acts done by any meeting of the Board or a Committee thereof, or by any person acting as a Director shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such Directors or any person acting as aforesaid, or that any of them was disqualified, be as valid as if every such Director and such person had been duly appointed and was qualified to be a Director.	Acts done by Board or Committee valid, notwithstanding defective appointment, etc.



115.	Save as otherwise expressly provided in the Act, a resolution in writing, signed, whether manually or by secure electronic mode, by a majority of the members of the Board or of a Committee thereof, for the time being entitled to receive notice of a meeting of the Board or Committee, shall be valid and effective as if it had been passed at a meeting of the Board or Committee, duly convened and held.	Resolution circulation by
POWERS OF BOARD		
116.	The management of the business of the Company shall be vested in the Board and the Board may exercise all such powers, and do all such acts and things, as the Company is by the memorandum of association or otherwise authorized to exercise and do, and, not hereby or by the statute or otherwise directed or required to be exercised or done by the Company in general meeting but subject nevertheless to the provisions of the Act and other laws and of the memorandum of association and these Articles and to any regulations, not being inconsistent with the memorandum of association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Board which would have been valid if such regulation had not been made.	General powers of the Company vested in Board
117.	The Board may authorise any such delegate or attorney as aforesaid to sub-delegate all or any of the powers and authorities for the time being vested in them.	Power to authorise sub delegation
118.	In furtherance of and without prejudice to the general powers conferred by the Articles and other powers conferred by these Articles, and subject to the provisions of the Act, that may become applicable, it is hereby expressly declared that it shall be lawful for the Directors to carry out all or any of the objects set forth in the Memorandum of Association.	Special power of Directors
119.	The Board may, from time to time, raise any money or any moneys or sums of money for the purpose of the Company; provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) shall not, without the sanction of the Company at a General Meeting, exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set-apart for any specific purpose and in particular but subject to the provisions of the Act, the Board may, from time to time, at its discretion raise or borrow or secure the payment of any such sum or sums of money for the purpose of the Company, by the issue of any securities in respect of any such money so borrowed, raised or received, mortgage, pledge or charge, the whole or any part of the property, assets, or revenue of the Company, present or future, including its uncalled capital by special assignment or otherwise or transfer or convey the same absolutely or entrust and give the lenders powers of sale and other powers as may be expedient and purchase, redeem or pay off any such security. Provided that every resolution passed by the Company in General Meeting in relation to the exercise of the power to borrow as stated above shall specify the total amount upto which moneys may be borrowed by the Board of Directors, provided that subject to the provisions of clause next above, the Board may,	Power to borrow



	from time to time, at its discretion, raise or borrow or secure the repayment of any sum or sums of money for the purpose of the Company as such time and in such manner and upon such terms and conditions in all respects as it thinks fit and in particular, by promissory notes or by opening current accounts, or by receiving deposits and advances, with or without security or by the issue of any other securities of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being or by mortgaging or charging or pledging any land, building or other property and security of the Company or by such other means as them may seem expedient.	
	REGISTERS	
120.	The Company shall keep and maintain at its registered office all statutory registers namely, register of charges, register of members, register of any other security holders, the register and index of beneficial owners and annual return, register of loans, guarantees, security and acquisitions, register of investments not held in its own name and register of contracts and arrangements for such duration as the Board may, unless otherwise prescribed, decide, and in such manner and containing such particulars as prescribed by the Act and the Rules. The registers and copies of annual return shall be open for inspection during office hours on all working days, other than Saturdays, at the registered office of the Company by the persons entitled thereto on payment, of such fees as may be prescribed by Act and the Rules.	Statutory registers
121.	<p>a) The Company may exercise the powers conferred on it by the Act with regard to the keeping of a foreign register; and the Board may (subject to the provisions of the Act) make and vary such regulations as it may think fit respecting the keeping of any such register.</p> <p>b) The foreign register shall be open for inspection and may be closed, and extracts may be taken therefrom and copies thereof may be required, in the same manner, <i>mutatis mutandis</i>, as is applicable to the register of members.</p>	Foreign register
	THE SEAL	
122.	<p>(1) The Board shall provide for the safe custody of the seal.</p> <p>(2) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorised by it in that behalf, and except in the presence of two Directors or at least one director and the secretary or such other person as the Board may appoint for the purpose; and such two directors or such other Director and the secretary or such other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.</p>	The seal, its custody and use Affixation of seal
	DIVIDENDS AND RESERVES	
123.	The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these presents and subject to the provisions of these presents as to the Reserve Fund, shall be divisible among the equity shareholders.	Rights to Dividend



124.	The Company in General Meeting may declare dividends but no dividend shall exceed the amount recommended by the Board.	Declaration of Dividends
125.	The declarations of the Directors as to the amount of the net profits of the Company shall be conclusive.	What to be deemed net profits
126.	The Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the Company.	Interim Dividend
127.	No dividend shall be payable except out of the profits of the year or any other undistributed profits except as provided by the Act.	Dividends to be paid out of profits only
128.	a. The Board may, before recommending any dividends, set aside out of the profits of the Company such sums as it thinks proper as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalising dividends and pending such application may, at the like discretion either be employed in the business of the Company or be invested in such investments (other than shares of the Company) as the Board may, from time to time, think fit. b. The Board may also carry forward any profits which it may think prudent not to divide without setting them aside as Reserve.	Reserve Funds
129.	a. Subject to the rights of persons, if any, entitled to share with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid. b. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of these regulations as paid on the share. c. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date, such shares shall rank for dividend accordingly.	Method of payment of dividend
130.	The Board may deduct from any dividend payable to any member all sums of money, if any, presently payable by him to the Company on account of calls in relation to the shares of the Company or otherwise.	Deduction of arrears
131.	Any General Meeting declaring a dividend or bonus may make a call on the members of such amounts as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and themselves, be set off against the call.	Adjustment of dividend against call
132.	a. Any dividend, interest or other moneys payable in cash in respect of shares may be paid by electronic means, by cheque or warrant sent through post directly to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named in the Register of Members or to such person and to such address of the holder as the joint holders may in writing direct. b. Every such payment whether by electronic means, cheque or warrant shall be made payable to the order of the person to whom it is sent. c. Every dividend or warrant or cheque shall be posted within thirty days from	Payment by electronic means/ cheque or warrant



	without there being any specific Article in that behalf herein provided.	
	WINDING UP	
140.	<p>Subject to the applicable provisions of the Act and the Rules made thereunder -</p> <p>(a) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.</p> <p>(b) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p> <p>(c) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.</p>	Winding up



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We, the several persons, whose names, addresses and occupations are hereunder subscribed, are desirous of being formed into a Company in pursuance to this ARTICLES OF ASSOCIATION and we respectively agree to take the no. of shares in the capital of the Company set aside to our respective names:

Name, address, description and Occupation, if any, of Subscriber	No. of Equity shares taken by each subscriber	Signature, name, address, description and Occupation of the witness
<p>Sd/- Mr. Kamalaksha R. Naik S/o. Rama S. Naik Plot No.99, Ambivili, Versova Road, Andheri (W), Mumbai - 400058.</p> <p>Occ : Business.</p>	<p>10 (Ten)</p>	<p>Sd/- Devendra Vinayak Kakodkar 306 Rayu Chambers, Dr. A. Borkar Road, Panaji, Goa.</p>
<p>Sd/- J.S. Gujral, S/o Darshan Singh Gujral, Flat No. 11, 2nd Floor, Gurukripa Bldg., 14th Road, Khar, Mumbai- 400 052</p> <p>Occ : Business</p>	<p>10 (Ten)</p>	<p>Chartered Accountant</p>
TOTAL	20 (Twenty)	

Panaji, Goa, 12th March, 1993



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INDEPENDENT AUDITOR'S REPORT

To the Members of Smartlink Holdings Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Smartlink Holdings Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2023 (current period). These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Valuation of Investments in Bonds and Mutual Funds

Refer Note 10 to the standalone Financial Statements.

As at March 2023, the Company has investments of Rs. 10,743.30 Lakhs in mutual funds and bonds which constitutes about 51.63% of the total assets of the company. During the year, the Company has recognised Rs. 317.78 Lakhs as fair value gain in the statement of Profit and Loss as per the requirements of Ind AS 109 "Financial Instruments".

Due to significance of amount involved, we have considered this as Key Audit Matter.

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Our audit procedures to assess the Valuation of Investment in Bonds and Mutual Funds included the following: -

- Obtained an understanding and assessed the design, implementation and testing of the operating effectiveness of internal controls over the existence, valuation and classification, in mutual funds and bonds.
- Verified the de-mat account and statement of holdings to confirm the existence and accuracy of Bonds as at March 31, 2023.
- Verified the confirmations from Fund Houses and statements of holdings to confirm existence and accuracy of investments in Mutual Funds as on March 31, 2023.
- In respect of investments in mutual funds which are fair valued through profit or loss, performed independent price checks based on confirmation and statement of Net Asset Value (NAV) from mutual funds houses.
- In respect of investments in bonds which are valued at amortised cost, verified the deal sheets and computation of interest accrued.
- Evaluated the basis of classification of investments into the various categories of financial instruments.
- Verified the completeness and accuracy of the disclosures, which are included in note 10 of the Standalone financial statements.

2. Impairment of Investment in subsidiaries

Refer Note 10 in standalone financial statements.

The Company has investments in subsidiaries at a gross value of Rs. 7,031.72 lakhs as on March 31, 2023. These investments are valued at cost less provision for impairment.

During the year, the Company has reversed the provision for impairment of Rs. 143.95 lakhs on investments in subsidiaries.

Due to significance of the above matter and involvement of the management judgement, we have considered this as a key audit matter.

Our audit procedures to assess the impairment of investment in subsidiaries included the following:

- Obtained an understanding and assessed the design, implementation and tested the operating effectiveness of internal controls over the valuation and impairment of investments in subsidiary companies.
- Obtained and reviewed the valuation report of the subsidiary to understand the fair value of the company in respect of which the provision for impairment was reversed during the period.

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- Reviewed the financial statements of the subsidiaries and the future business plans/projections furnished by the management.
- Made corroborative inquiries with appropriate level of the management personnel about future business plans/projections of the subsidiaries.
- Evaluated the evidence supporting the judgement of the management about estimated future cash flow and the reasonableness of the estimates which included specific risk factors by comparing the actual results of the current year to previous estimates.
- Assessed the appropriateness of impairment provision recognized by the management as at March 31, 2023.
- Verified the completeness and accuracy of the disclosures, which are included in note 10 of the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.
 - (e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations on its financial position which requires disclosure in the standalone financial statements as at March 31, 2023.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.

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iv.

- (1) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (2) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

v. The Company has neither declared nor paid any dividend during the year.

3. In our opinion, according to information, explanations given to us, the remuneration for the year ended March 31, 2023 paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act read with Schedule V to the Act.
4. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on April 1, 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No. 134427W


Abhishek Pachlangia
Partner
Membership No. 120593
UDIN: 23120593BGWJNM2193



Place: Mumbai
Date: May 17, 2023

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ANNEXURE A TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SMARTLINK HOLDINGS LIMITED FOR THE YEAR ENDED MARCH 31, 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report on even date to Member of Smartlink Holding Limited on the Standalone Financial Statements for the year ended March 31, 2023]

i.

- (a) A. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE") and relevant details of right to use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

- (b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year which, in our opinion, is reasonable having regards to the size of the Company and nature of its assets. No material discrepancies were identified on such verification.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.

- (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

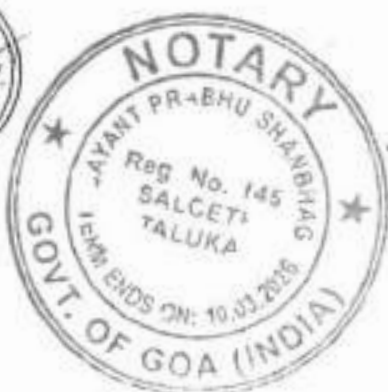
- (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.

ii.

- (a) The Company is an investment company, and consequently, does not hold any inventory. Accordingly, the provisions stated in paragraph 3(ii) (a) of the Order are not applicable to the Company.

- (b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

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- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has provided guarantee to the companies. The Company has not made any investments in or granted any loans, secured or unsecured, to firms and limited liability partnership.

- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided guarantee to other entity as below:

(Amount in Rs. Lakhs):

Particulars	Guarantees
Aggregate amount granted/provided during the year	
- Subsidiaries	6,570.00
Balance Outstanding as at balance sheet date in respect of above cases	
- Subsidiaries	6,570.00

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions in relation to guarantees provided are not prejudicial to the interest of the Company.
- (c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

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- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of sections 73, 74, 75 and 76 of the Act, and the rules framed thereunder. Accordingly, the provisions stated in paragraph 3(v) of the Order are not applicable to the Company.
- vi. The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- vii.
- (a) According to the information and explanations given to us and records examined by us, the Company has been generally regular in depositing undisputed statutory dues in respect of provident fund, professional tax, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues as applicable, with the appropriate authorities though there has been delays in few cases with regards to professional tax. According to the information and explanations given to us, there are no arrears of outstanding undisputed statutory dues as at March 31, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, customs duty, cess and any other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix.
- (a) The Company does not have any loans or borrowings and repayment to lenders during the year. Accordingly, the provision stated in paragraph 3(ix) (a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) In our opinion, according to the information explanation provided to us, there are no funds raised on short term basis. Accordingly, the provision stated in paragraph 3(ix)(d) of the Order is not applicable to the Company.



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- (e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x.

- (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi.

- (a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company.
- (b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2023, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.
- (c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the course of audit. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.

xii.

- (a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii.

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, "Related Party Disclosure" specified under section 133 of the Act, read with relevant rules issued thereunder.

xiv.

- (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

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(b) We have considered internal audit reports issued by internal auditors during our audit.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi.

(a) The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934 as Non-banking financial institution without accepting deposits vide Registration number N-13.02236 dated May 02, 2018.

(b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Company does not have more than one CIC as a part of its group. Hence, the provisions stated in paragraph clause 3 (xvi)(d) of the Order are not applicable to the Company.

xvii. According to the information explanation provided to us, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph clause 3 (xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx.

(a) According to the information and explanations given to us, the provisions of section 135 of the Act are applicable to the Company. The company has made the required contributions during the year and there are no unspent amounts which are required to be transferred to the special account as on the date of audit report. Accordingly the provisions of paragraph (xx)(a) to (b) of the Order are not applicable to the Company.

Shridhar & Associates, 101, 1st Floor, Vaibhav Chambers, Madhusudan Kalekar Road, Bandra East, Mumbai-400052
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Shridhar & Associates
Chartered Accountants

- xxi. There are no Qualifications/adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) Reports of the companies included in the consolidated financial statements. Accordingly, the provisions stated in paragraph clause 3 (xxi) of the Order are not applicable to the Company.

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No. 134427W

Abhishek

Abhishek Pachlangia
Partner
Membership No. 120593
UDIN: 23120593BGWJMM2193



Place: Mumbai
Date: May 17, 2023



Shridhar & Associates, 101, 1st Floor, Vaibhav Chambers, Madhusudan Kalekar Road, Bandra East, Mumbai-400052
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Shridhar & Associates ***Chartered Accountants***

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SMARTLINK HOLDINGS LIMITED

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Smartlink Holdings Limited on the standalone financial statements of the Company for the year ended March 31, 2023]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Smartlink Holdings Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No. 134427W

Abhishek Pachlangia
Partner
Membership No. 120593
UDIN: 23120593BGWJMM2193
Place: Mumbai
Date: May 17, 2023



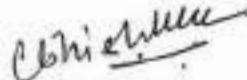
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Head Office Tel: +91 (22) 2604 3028 / 2604 4363 / 6741 1399 Email: info@shridharandassociates.com



Smartlink Holdings Limited
 Standalone Balance Sheet as at March 31, 2023
 (Amount in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Financial Assets			
Cash and cash equivalents	5	35.51	31.10
Bank balance other than cash and cash equivalents	6	803.58	1,082.58
Receivables			
(i) Other Receivables	7	55.36	75.38
Investments	10	17,522.12	15,047.92
Other financial assets	8	9.38	25.23
Non-financial assets			
Tax assets (net)	9	147.21	56.75
Investment property	11	1,280.03	1,467.85
Property, plant and equipment	12	875.44	840.39
Capital work-in-progress	43	-	215.70
Other intangible assets	13	-	-
Other non-financial assets	14	77.61	64.85
Total Assets		20,806.24	18,907.35
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Trade payables	15	-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		115.64	44.44
Borrowings (Other than debt securities)	16	147.31	180.22
Other financial liabilities	17	77.27	52.77
Non-Financial Liabilities			
Provisions	18	5.07	5.35
Deferred tax liabilities (net)	31	365.70	311.26
Other non-financial liabilities	19	10.48	3.80
EQUITY			
Equity share capital	20	199.50	199.50
Other equity	21	19,835.27	18,110.01
Total Liabilities and Equity		20,806.24	18,907.35
See accompanying notes forming part of the Financial Statements 1-62			
The accompanying notes are an integral part of the financial statements			

As per my report of even date
 For Shridhar & Associates
 Chartered Accountants
 ICAI Firm Registration No.: 134427W


 Abhishek Pachangia
 Partner
 Membership No. 126593



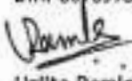
Place: Mumbai
 Date: May 17, 2023

For and on behalf of the Board of Directors of
 Smartlink Holdings Limited
 CIN : L67100GA1993PLC001341


 K.R. Naik
 Executive Chairman
 DIN: 00002013


 K.G. Prabhu
 Chief Financial Officer


 Arati Naik
 Executive Director
 DIN: 06965985


 Urjita Damle
 Company Secretary
 ICSI Membership No. 24654



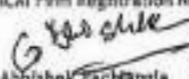
Place: Mumbai
 Date: May 17, 2023



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Smartlink Holdings Limited
Statement of Standalone Profit and Loss for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

Particulars	Note No.	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Income			
Revenue from operations			
Interest Income	22	427.97	466.74
Rental Income	36(B)	196.50	90.53
Fees and commission Income	23	12.24	9.62
Net gain on fair value changes	24	317.78	342.46
Total revenue from operations		954.49	909.37
Other Income	25	150.69	2,819.64
Total Income		1,105.18	3,729.01
Expenses			
Finance costs	26	16.69	16.70
Impairment on financial instruments	27	0.26	4.78
Employee benefits expenses	28	385.91	276.48
Depreciation and amortisation expense	29	102.22	106.31
Other expenses	30	679.13	385.18
Total expenses		1,084.21	791.43
Profit / (Loss) before exceptional items and tax		20.97	1,937.58
Exceptional Items	11(c)	2,091.57	-
Profit / (Loss) before tax		2,112.54	1,937.58
Tax Expense:			
- Current Tax		334.89	108.42
- Deferred Tax		53.29	(73.11)
- Taxes adjustment for earlier year		(49.72)	6.90
Total tax expense	31(F)	338.46	42.21
Profit / (Loss) for the year		1,774.08	1,895.35
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
Re-measurement gains / (loss) on defined benefit plan		4.61	(3.10)
Income tax relating to above		(1.16)	0.78
Subtotal (A)		3.45	(2.32)
B. Items that will be reclassified to profit or loss			
Net fair value gain / (loss) on financial instruments		-	-
Income tax relating to above		-	-
Subtotal (B)		-	-
Other Comprehensive Income (A + B)		3.45	(2.32)
Total Comprehensive Income for the year		1,777.53	1,893.03
Basic and diluted Earnings per share (Nominal value per share INR 2)	32	17.79	27.59
See accompanying notes forming part of the Financial Statements		1-62	
The accompanying notes are an integral part of the financial statements			

As per my report of even date
For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No.: 134427W

Ashishk Pachangia
Partner
Membership No. 120593





Place: Mumbai
Date: May 17, 2023

For and on behalf of the Board of Directors of
Smartlink Holdings Limited
CIN: L67100GA1993PLC001341


K.R. Malik
Executive Chairman
DIN: 00002013

K.G. Prabhu
Chief Financial Officer


Arjit Malik
Executive Director
DIN: 06965985

Urjita Damle
Company Secretary
ICSI Membership No. 24654



Place: Mumbai
Date: May 17, 2023



Smartlink Holdings Limited
Statement of Standalone Changes in Equity
(Amount in INR Lakhs, unless otherwise stated)

Equity Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Opening	99,75,000	199.50	1,33,00,000	266.00
Less: Bought back during the year	-	-	(33,25,000)	(66.50)
Closing	99,75,000	199.50	99,75,000	199.50

Other Equity

Particulars	Capital Contribution	Reserves and Surplus			FVTOCI Reserve on defined benefit plans	FVTOCI Reserve on Financial Instruments	Total
		Statutory Reserve	Capital Redemption Reserve	General Reserve	Surplus in statement of profit and loss account		
Balance at April 01, 2021	92.95	320.43	334.10	5,567.20	12,693.96	2.27	19,013.80
Profit for the year	-	-	-	-	2,895.35	-	2,895.35
Other comprehensive income / (loss)	-	-	-	-	(2.32)	-	(2.32)
Total Comprehensive income for the year	-	-	-	-	2,893.03	-	2,893.03
Buyback of equity shares	-	-	-	-	-	-	-
Tax on buyback of equity shares	-	-	66.50	-	(3,158.75)	-	(3,092.25)
Transfer to Statutory Reserve	-	579.07	-	-	(704.57)	-	(704.57)
Balance at March 31, 2022	92.95	899.50	400.60	5,567.20	11,146.92	2.27	18,110.01

Particulars	Capital Contribution	Reserves and Surplus			FVTOCI Reserve on defined benefit plans	FVTOCI Reserve on Financial Instruments	Total
		Statutory Reserve	Capital Redemption Reserve	General Reserve	Surplus in statement of profit and loss account		
Balance at April 01, 2022	92.95	899.50	400.60	5,567.20	11,146.92	2.27	18,110.01
Profit for the year	-	-	-	-	1,774.08	(2.27)	1,771.81
Other comprehensive income / (loss)	-	-	-	-	-	-	-
Total Comprehensive income for the year	-	-	-	-	1,774.08	(2.27)	1,771.81
Transfer to Statutory Reserve	-	354.82	-	-	-	-	354.82
Balance at March 31, 2023	92.95	1,254.32	400.60	5,567.20	12,566.18	4.02	19,885.27



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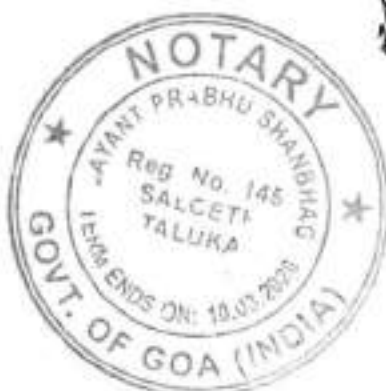
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Smartlink Holdings Limited

Statement of Standalone Cash Flows for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Cash flow from operating activities		
Net Profit before tax	2,112.54	2,937.56
Adjustments for:		
Depreciation and amortisation expense	102.22	108.31
Interest on income tax refund	(0.44)	-
Loss / (Profit) on Property, plant and equipment sold / written off (net)	(2,095.14)	(0.46)
Net gain on fair value changes	(317.78)	(342.48)
Reversal of impairment on investment	(143.95)	(2,818.32)
Impairment on financial instruments	0	5
EIR impact of security deposits and rent amortization	(0.24)	(0.60)
EIR impact of interest income on bonds	6.94	6.84
Bad Debts Written off	58.16	-
Unrealised foreign exchange difference (net)	(0.01)	(0.01)
Finance costs	16.69	16.70
Guarantee commission	(12.24)	(9.62)
Gain on derecognition of financial instrument measured at amortised cost	(2.72)	-
Operating (loss) before working capital changes	(275.71)	(97.30)
Changes in working capital		
(Increase) / Decrease in Investments	(1,999.86)	4,816.72
(Increase) / Decrease in Fixed deposits with Banks	279.01	(621.39)
(Increase) / Decrease in Other Receivables	(38.14)	13.63
(Increase) / Decrease in Other financial assets	16.94	(0.02)
(Increase) / Decrease in Other non-financial assets	(12.76)	(1.01)
Increase / (Decrease) in trade payables	71.20	(38.51)
Increase / (Decrease) in Other financial liabilities	12.46	(49.75)
Increase / (Decrease) in Other non-financial liabilities	6.67	1.24
Increase / (Decrease) in provisions	4.32	(2.93)
Cash generated from/(used in) operations	(1,935.87)	4,020.68
Net Income tax paid	(375.19)	(129.50)
Net cash flows from/(used in) operating activities (A)	(2,311.06)	3,891.18
Cash flow from investing activities		
Purchase of property, plant and equipment and investment property	(121.83)	(5.32)
Proceeds from Sale of property, plant and equipment and intangible assets	2,459.22	0.46
Net cash flows from/(used in) investing activities (B)	2,337.39	(4.86)
Cash flow from Financing activities		
Buyback of Company's equity shares	-	(3,158.75)
Tax on Buyback of Company's equity shares	-	(704.57)
Interest payments	(2.29)	(0.75)
Cash Payment for the principal portion of lease payments	(19.64)	(31.46)
Net cash flows from/(used in) financing activities (C)	(21.93)	(3,895.53)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	4.40	(9.21)
Cash and cash equivalents at the beginning of the year	31.10	40.30
Effect of exchange differences on restatement of foreign currency Cash and bank balance	0.01	0.01
Cash and cash equivalents at the end of the year	35.51	31.10
Cash and cash equivalents comprise		
Balances with banks		
On current accounts	33.50	28.88
Cash on hand	2.01	2.22
Total cash and cash equivalents at end of the year	35.51	31.10



Smartlink Holdings Limited

Statement of Standalone Cash Flows for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

(i) The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows"

(ii) Non Cash Movement In Financing Activity

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Lease Liabilities	(13.27)	15.01

See accompanying notes forming part of the Financial Statements
The accompanying notes are an integral part of the financial statements

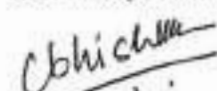
1-62

As per my report of even date

For Shridhar & Associates

Chartered Accountants

ICAI Firm Registration No.: 134427W



Abhishek Pachlangia
Partner
Membership No. 120593



Place: Mumbai

Date: May 17, 2023

For and on behalf of the Board of Directors of
Smartlink Holdings Limited

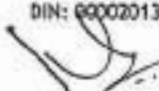
CIN: L67100GA1993PLC001341



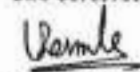
K.R. Nalk
Executive Chairman
DIN: 00002013



Anil Nalk
Executive Director
DIN: 06965985



K.G. Prabhu
Chief Financial Officer



Urjita Dámle
Company Secretary
ICSI Membership No. 24654

Place: Mumbai

Date: May 17, 2023



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR, unless otherwise stated)

1 Corporate Information

Smartlink Holdings Limited (formerly known as Smartlink Network Systems Limited) ("Company"), incorporated in Goa is a Non-Banking Financial Institution (NBFI) (non-deposit taking) as defined under Reserve Bank of India Act, 1934. The Company is public limited company incorporated and domiciled in India and has its registered office at Verna Industrial Estate, Goa, India. The company has its listing on BSE Limited and NSE Limited.

The Company operates as an Investment Company and earns majority from investing activity.

The Financial Statements for the year ended March 31, 2023 were approved for issue by company's Board of Directors on May 17, 2023.

2 Significant accounting policies

Significant accounting policies adopted by the Company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value.

The financial statements are presented in Indian Rupees (INR) in lakhs, which is also the functional currency of the company and all amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs, except when otherwise indicated.

(b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment, are stated at historical cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost of property, plant and equipment comprises its purchase price net of any discounts and rebates, any import duties and other taxes (other than those subsequently recovered from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any, and interest on borrowings attributable to it up to the date it is ready for its intended use. Cost of property, plant and equipment that are not yet ready for their intended use at the balance sheet date are shown under capital work-in-progress.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance costs are charged to Statement of Profit and Loss during the year in which they are incurred.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment using the straight line method over their estimated useful lives as under:

Property, plant and equipment	Useful Lives (in years)
Furniture and Fixtures	8
Motor Vehicle	5
Office Equipments	5
Electrical Installations	10
Air Conditioners	10
Computers	3



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR, unless otherwise stated)

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of certain categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use.

Depreciation on derecognition of an asset from property plant and equipment is provided up to the date preceding the date of derecognition.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Investment properties

Property that is held for long - term rental yield or for capital appreciation or both, and that is not used in the production of goods and services or for administrative purposes is classified as investment property.

Investment properties are measured initially at cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Investment properties include properties leased out and measured under Ind AS 116 as right of use assets.

2.4 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation of intangible asset is included in Depreciation and amortisation expense in statement of Profit & Loss account.

The Company amortized intangible assets using the straight line method over their estimated useful lives as under :

Intangible assets	Useful life (in years)
Computer Software (ERP)	3
Computer Software (other software)	4*
* Subject to license period	

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.5 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Indian rupee (INR), which is the Company's functional and presentation currency.



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR, unless otherwise stated)

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.6 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 – Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

2.7 Revenue Recognition

(a) Interest income - the effective interest rate method

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVTOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the statement of profit and loss.

(b) Revenue from lease rentals

Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

(c) Dividend income

Dividend income (including from FVTOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

(d) Trading Income

Trading income includes all gains and losses from changes in fair value and the related interest income or expense and dividends, for financial assets and financial liabilities held for trading.



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR, unless otherwise stated)

2.8 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised on temporary differences, being differences between the carrying amount of assets and liabilities and corresponding tax bases used in the computation of taxable profit. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences, except:

(i) Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

2.9 Leases

The Company's lease asset classes primarily consist of leases for office and factory premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.10 Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the higher of an assets fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate pre-tax discount rate to determine whether there is any indication that those assets have suffered any impairment loss. When there is an indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR, unless otherwise stated)

2.11 Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material, provision is carried at the present value of the cash flows required to settle the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.12 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalents include cash on hand, cash in bank and short-term deposits net of bank overdraft.

2.13 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Investment in subsidiaries

Interest in subsidiaries are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

(b) Other investments and financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in interest income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVTOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in interest income using the effective interest rate method.



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR, unless otherwise stated)

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in interest income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(iii) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original effective interest rate (EIR). When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

- the rights to receive cash flows from the financial asset is transferred or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(c) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR, unless otherwise stated)

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(d) Financial Guarantee Contracts

Financial guarantees are initially recognised in the financial statements (within 'other liabilities') at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Any increase in the liability relating to financial guarantees is recorded in the statement of profit and loss in credit loss expense. The premium received is recognised in the statement of profit and loss in net fees and commission income on a straight line basis over the life of the guarantee.

(e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.14 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: The Company's contributions to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan, are charged to the Statement of Profit and Loss in the period of accrual. The Company has no obligation, other than the contribution payable to the provident fund.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution plan as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR, unless otherwise stated)

(ii) Defined benefit plans

Gratuity:

The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

Remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the balance sheet with a charge/credit recognised in Other Comprehensive Income ("OCI") in the period in which they occur.

Remeasurements recognised in OCI is reflected immediately in surplus in statement of profit and loss account and is not reclassified to profit or loss in subsequent periods.

(c) Other long term employee benefits:

Company's liabilities towards compensated absences to employees which are expected to be availed or encashed beyond 12 months from the end of the year are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the statement of profit and loss.

2.15 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereon for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.16 Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

- a) Borrowing costs directly attributable to the acquisition or construction of assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets.
- b) Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

2.17 Dividend on ordinary shares

The Company recognises a liability when the distribution is authorised by the shareholders. A corresponding amount is recognised directly in equity.

2.18 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions

In the preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2023 are as below :



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR, unless otherwise stated)

(a) Useful life of Property, plant and equipment, Investment Property and Intangible assets and its expected residual value

Property, plant and equipment, Investment Property and other intangible assets represent a significant proportion of the assets of the Company. Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(b) Fair value measurements and valuation processes

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility for further details about determination of fair value.

(c) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. Information about such valuation is provided in notes to the financial statements.

(d) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

(e) Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the financial instruments.

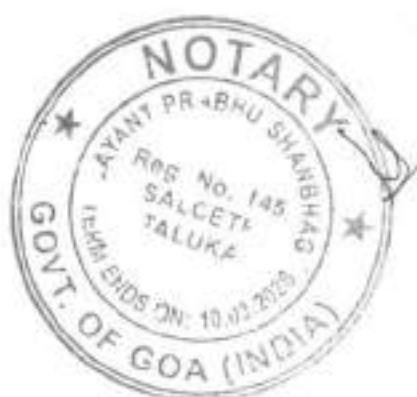
This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

(f) Impairment of financial asset

The Company recognizes loss allowances for Expected Credit Losses (ECL) on its financial assets measured at amortized cost and Fair Value through Other Comprehensive Income (FVTOCI) except investment in equity instruments. At each reporting date, the Company assesses whether the above financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR, unless otherwise stated)

4 Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

(i) Ind AS 1 - Disclosure of material accounting policies:

The amendments related to shifting of disclosure of erstwhile "significant accounting policies" to "material accounting policies" in the notes to the financial statements requiring companies to reframe their accounting policies to make them more "entity specific. This amendment aligns with the "material" concept already required under International Financial Reporting Standards (IFRS). The Company does not expect this amendment to have any significant impact in its financial statements.

(ii) Ind AS 8 - Definition of accounting estimates:

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates." Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

(iii) Ind AS 12 - Income Taxes

The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12. At the date of transition to Ind ASs, a first-time adopter shall recognize a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with:

a) Right-of-use assets and lease liabilities

b) Decommissioning, restoration and similar liabilities and the corresponding amounts recognized as part of the cost of the related asset.

Therefore, if a company has not yet recognised deferred tax on right-of-use assets and lease liabilities or has recognised deferred tax on net basis, the same need to recognize on gross basis based on the carrying amount of right-of-use assets and lease liabilities.

(iv) Ind AS 103 - Common control Business Combination

The amendments modify the disclosure requirement for business combination under common control in the first financial statement following the business combination. It requires to disclose the date on which the transferee obtains control of the transferor is required to be disclosed.



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

5 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	2.01	2.22
Balances with banks		
On current accounts	33.50	28.88
Total	35.51	31.10

6 Bank balances other than Cash and cash equivalent

Particulars	As at March 31, 2023	As at March 31, 2022
In Fixed deposit with maturity for more than 12 months*	768.66	1,044.26
Accrued interest on fixed deposit	33.08	34.18
Unpaid dividend accounts	1.84	4.14
Total	803.58	1,082.58

* Includes INR 72.45 lakhs (March 31, 2022 INR 72.45 lakhs) held as margin money against bank guarantee.

2. Includes INR NIL (March 31, 2022 INR 330.00 lakhs) held against corporate guarantee to bank for credit facilities availed by Digisol Systems Limited.

3. Includes INR 660.00 lakhs (March 31, 2022 INR 610 lakhs) held against corporate guarantee to bank for credit facilities availed by Synegra EMS Limited.

7 Receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Others Receivables		
Considered good, unsecured (Refer Note 37)	55.36	75.38
From related parties :		
Digisol Systems Limited	16.98	14.26
Synegra EMS Limited	30.11	25.44
Telesmart SCS Limited	-	32.72
	47.09	72.42
From others:	8.27	2.96
Total Receivables	55.36	75.38

Receivables ageing

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Undisputed Trade receivables - considered good		
Unbilled Dues	-	-
Not Due	1.58	1.65
Less than 6 months	52.13	15.57
6 months - 1 year	0.03	0.60
1-2 years	1.62	44.61
2-3 years	-	12.95
More than 3 years	-	-
Total	55.36	75.38

There are no dues from director or other officer of the company or any firm or private company in which any director is a partner, a director or a member, except as disclosed in note 37.



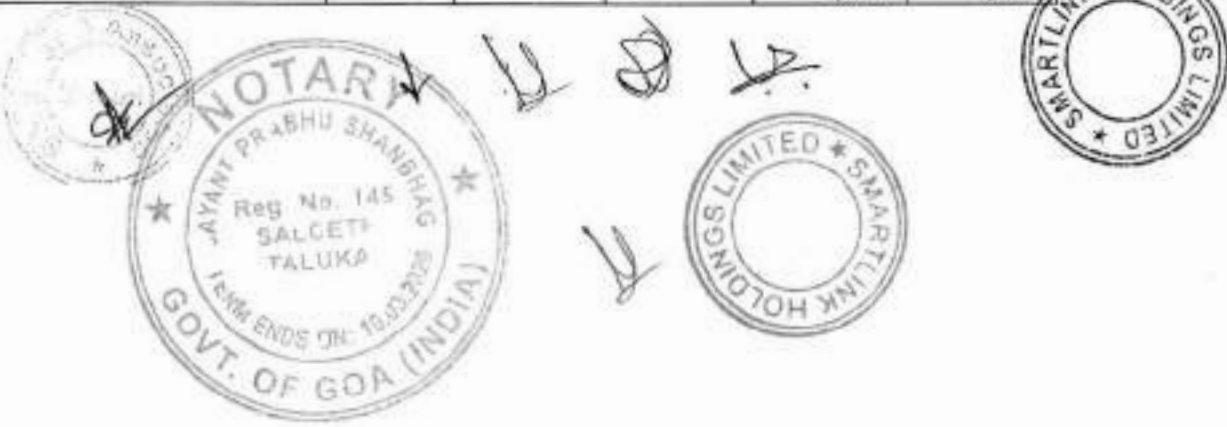
Smartlink Holdings Limited
 Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
 (Amount in INR Lakhs, unless otherwise stated)

10 Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investments measured at Cost		
Subsidiaries	7,031.71	6,140.86
Investments measured at amortised cost		
Debt securities	4,551.90	5,056.62
Fixed Deposits	1,337.31	-
Investments measured at Fair Value through Profit or Loss		
Mutual funds	6,191.41	5,915.92
Investments measured at Fair Value through Other Comprehensive Income		
Debt securities	-	49.30
Total - Gross (A)	19,112.33	17,162.70
Less: Allowance for Impairment loss (B)	(1,790.21)	(2,115.16)
Total - Net (A)-(B)	17,522.12	15,047.52
Investments outside India	-	-
Investments in India	17,522.12	15,047.52

Details of Investments -

Particulars	Face Value	Nos		Amount	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
1 Investments measured at Cost					
Investments in Equity shares of subsidiaries (Unquoted): (Fully paid up)					
Digisol Systems Limited (refer foot note 1)	1	4,26,59,857	4,10,06,000	4,471.12	4,388.36
Synegra EMS Limited	10	2,50,00,000	1,50,00,000	2,560.59	1,555.96
Telesmart SCS Limited (refer foot note 1)	10	-	28,80,000	-	295.54
Total - Gross				7,031.71	6,140.86
Less: Allowance for Impairment loss				(1,790.21)	(2,055.88)
Total - Net				5,241.50	4,074.98
2 Investments measured at Amortised Cost					
Investments in bonds (Quoted) (refer note 3):					
Cholamandalam Perp NCD Series FDI 10 12.90%	5,00,000	-	40	-	241.65
Tata Power Company Limited 2072 - NCD 10.75%	10,00,000	-	55	-	590.01
Canara Bank BO Perpetual - 9.55%	10,00,000	10	10	100.58	100.59
Cholamandalam Investment and Finance Company Limited - NCD 8.80%	10,00,000	30	30	320.90	320.90
Nahindra Rural housing Finance Ltd 2017 - NCD 8.50%	10,00,000	30	30	320.94	320.94
HDFC Bank Limited Perpetual - BO 8.85%	10,00,000	-	28	-	332.57
Tata Motors Finance Limited Perpetual NCD -11.10%	10,00,000	30	30	342.74	343.01
Bajaj Finance Ltd 2027 - NCD 8.15%	10,00,000	5	5	50.63	50.63
Tata Capital Financial Services Limited 2022 - NCD 8.45%	1,000	-	20,000	-	210.01
L&T Infrastructure Finance Company Limited -NCD 7.63%	25,00,000	-	12	-	312.94
L&T Infrastructure Finance Company Limited - NCD 8.81%	25,00,000	-	5	-	134.60
UP Power Corporation Limited - NCD 10.15%	10,00,000	10	10	102.29	102.68
North Eastern Electric Power Corporation Limited - NCD 7.68%	10,00,000	20	20	206.13	205.34
KICL Bank COB tier -II 0.00%	1,00,000	-	365	-	348.54
Tata Sons Ltd NCD - 9.54%	10,00,000	-	15	-	163.53
W&N Financial Services Ltd 2031 - 7.35%	10,00,000	20	20	210.83	210.83
State Bank of India Unsecured Rated Listed Additional Tier I Non Convertible Bond - 7.72%	1,00,00,000	3	3	314.09	314.30
8.50% Muthoot Fincorp Limited	10,00,000	-	10	-	100.65
Punjab National Bank Tier II - 8.93%	10,00,000	-	10	-	103.85
Kotak Mahindra Bank Limited Basel III perp - 8.10%	5	40,00,000	40,00,000	201.20	202.68
State Bank of India perp - 100 year - 7.55%	1,00,00,000	2	2	204.50	204.52
L&T Finance Limited Tier II (Series-a) - 9.95%	10,00,000	16	16	167.50	170.85
Punjab National Bank (TIER II) Bonds - 9.20%	10,00,000	11	-	117.47	-
L&T Finance Limited NCD	10,00,000	20	-	200.23	-
TATA Capital Financial Services Limited - 7.89%	10,00,000	50	-	529.18	-
L&T Finance Limited - 8.75%	10,00,000	9	-	92.87	-
Mahindra & Mahindra Financial Services LTD - 7.90%	10,00,000	50	-	523.41	-
Bank Of India (Series X) - 8.80%	10,00,000	8	-	88.49	-
PNB Housing Finance Limited Bonds (Series XVIII.B) - 9.48%	10,00,000	25	-	252.66	-
L & T Finance Limited - 8.90%	10,00,000	19	-	205.36	-
				4,551.90	5,056.62



Smartlink Holdings Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

Particulars	Face Value	Nos		Amount	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Fixed Deposits (Unquoted)					
Fixed Deposit with Bajaj Finance Limited (refer foot note 2)	15,00,00,000	3	-	1,537.31	-
				1,537.31	-
Investments measured at Fair Value through Profit or Loss					
Mutual funds (Unquoted)					
HDFC Mutual Fund					
HDFC Liquid Fund - Direct Plan - Growth	1,000	-	574.010	-	24.02
HDFC Corporate Bond Fund - Direct Plan - Growth	10	3,90,996.466	3,90,996.466	107.99	103.54
ICICI Mutual Fund					
ICICI Prudential Banking & PSU Debt Fund - Growth	10	20,67,524.707	20,67,524.707	569.54	546.34
ICICI Prudential Corporate Bond Fund - Growth	10	21,17,912.167	24,35,703.311	528.89	576.19
ICICI Prudential Corporate Bond Fund - Direct Plan - Growth	10	4,93,524.038	4,93,524.038	128.45	121.34
ICICI Prudential Short Term Fund - Growth Option	10	40,817.002	2,50,792.088	20.62	119.85
ICICI balance Advantage Fund - Growth	10	78,693.356	51,205.911	45.47	25.37
Kotak Mahindra Mutual Fund					
Kotak Bond Fund Short Term - Growth - Regular Plan	10	15,04,985.518	15,04,985.518	663.94	646.93
Birla Sun Life Mutual Fund					
Birla Sun Life floating rate fund -growth -regular plan	10	76,645.866	1,27,134.481	224.53	293.32
Aditya Birla sun life floating rate fund growth direct plan	100	1,75,327.342	-	525.26	-
SBI Mutual fund					
SBI Short Term Debt Fund-Regular Plan-Growth	10	40,77,363.452	40,77,363.452	1,106.21	1,061.98
Franklin Templeton Mutual Fund					
Franklin India Short term Income Plan- Retail Plan- Segregated Portfolio 2 (10.90% Vodafone Idea Ltd 02Sep2023 (P/C 03Sep2023)) - Growth Option)	1,000	13,649.982	18,290.977	12.75	-
Invesco Mutual Fund					
Invesco India Ultra Short Term Fund Plan Growth	10	10,022.335	10,022.335	230.95	220.30
Invesco India Short Term Fund - Regular Plan	10	7,725.541	7,725.541	254.42	244.55
HSBC Mutual Fund					
HSBC Corporate Bond Fund - Direct Growth (Formerly L & T Triple Ace Bond Fund - Direct Plan-Growth)	10	2,52,757.312	9,85,570.099	164.44	619.53
HSBC Short Duration Fund - Direct Growth (Formerly L & T Short Term Bond Fund - Direct Plan - Growth)	10	28,97,136.850	28,97,136.850	680.93	655.07
Bandhan Mutual Fund					
Bandhan Banking & PSU Debt Fund - Direct Plan - Growth (Formerly IDFC Banking & PSU Debt Fund - Direct Plan - Growth)	10	19,40,490.415	19,40,480.415	414.35	395.84
Bandhan Bond Fund - Short Term Plan - Growth (Formerly IDFC Bond Fund - Short Term Plan - Growth)	10	-	33,384.349	-	16.36
Bandhan Dynamic bond fund - Growth - regular plan (Formerly IDFC Dynamic Bond fund growth regular)	10	10,77,845.928	-	309.21	-
Edelweiss Mutual Fund					
Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2026 Direct Plan Growth	10	18,37,832.906	18,37,832.906	203.46	197.39
				6,191.41	5,915.92



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

Particulars	Face Value	Nos		Amount	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Preference Shares (Unquoted)					
Infrastructure Leasing and Financial Services Limited - Preference Shares - 15.46%	7,500	-	340	-	49.30
Total - Gross				-	49.30
Less: Allowance for Impairment loss				-	(49.30)
Total - Net				-	-
Total Investments- Gross				19,312.33	17,162.70
Total Impairment				(1,790.21)	(2,115.18)
Total Investments- Net				17,522.12	15,047.52
Aggregate book value of:					
Quoted Investments				4,001.90	5,096.62
Unquoted Investments				12,192.16	9,331.20
Aggregate market value of:					
Quoted Investments				4,364.52	4,840.31
Unquoted Investments				5,191.41	5,915.92

Footnote:-

1 Pursuant to the approval of Scheme of Amalgamation by National Company Law Tribunal - Mumbai Bench vide order dated March 03, 2023 one of the subsidiary Telesmart ICS Limited (Telesmart) is amalgamated with another subsidiary Digisol Systems Limited (Digisol) w.e.f April 01, 2022. The Scheme has become effective on the date of filing with Registrar of Companies which is May 04, 2023. As per the Scheme Digisol will issue 19,59,857 shares (face value of INR 1/-) with share fair valued at INR 8.41. The shares pending allotment as at the year end have been allotted by the Board of Directors of Digisol Systems Limited at its meeting held on May 17, 2023.

2 Fixed deposits are pledged against Loan obtained by Digisol Systems Limited (wholly owned subsidiary) (March 31, 2022 INR ML).

3 Investment in Bonds includes accrued interest INR 174.68 in the current year and 210.83 lakhs in the previous year.



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Smartlink Holdings Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

11 Investment Property

Particulars	Gross block			Depreciation			Net block	
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions/ Adjustments	As at March 31, 2023	As at March 31, 2022
Land	936.04	-	148.38	787.66	44.82	9.74	733.10	891.22
Building	957.95	-	-	957.95	381.32	29.70	546.93	576.63
Total	1,893.99	-	148.38	1,745.61	426.14	39.44	1,280.03	1,467.85

Particulars	Gross block			Depreciation			Net block	
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 01, 2021	Additions/ Adjustments	As at March 31, 2022	As at April 01, 2021
Land	787.66	148.38	-	936.04	35.08	9.74	891.22	752.58
Building	904.36	53.59	-	957.95	341.80	29.71	576.63	562.56
Total	1,692.02	201.97	-	1,893.99	376.88	39.45	1,467.85	1,315.14

Note:

- (a) Asset given on operating lease - gross value - on March 31, 2023 INR 1,745.61 lakhs (March 31, 2022 INR 1,893.99 lakhs), - written down value on March 31, 2023 INR 1,280.03 lakhs (March 31, 2022 INR 1,467.86 lakhs)
- (b) INR 150.17 lakhs (March 31, 2022 INR 55.44 lakhs) has been recognised as rental income from the Investment Properties given on operating lease, in the Statement of Profit and Loss.
- (c) The Board of Directors of the Company at their meeting held on August 04, 2022 had approved the Memorandum of Understanding ("MOU") for sale of land admeasuring 543.9 Sq. Mts. situated at Off C.S.T. Road, Santacruz (E), Mumbai 400098 for a consideration of INR 2,475.00 lakhs. The Company has completed the sale on execution of the sale deed. Consequently, the profit on the sale of INR 2,091.57 lakhs has been recognised and disclosed as exceptional item.



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Smartlink Holdings Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

12 Property, plant and equipment

Particulars	Gross block			Depreciation			Net block	
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2022
Land-Freehold	87.91	-	-	87.91	-	-	87.91	-
Buildings-Own Use	1,377.68	-	-	1,377.68	33.94	-	644.57	767.05
Furniture and Fixtures	198.96	7.89	-	206.85	0.45	-	198.64	0.77
Vehicles	28.02	111.56	7.31	132.27	14.66	7.31	29.38	5.99
Office Equipment	120.29	1.33	-	121.62	0.70	-	119.72	1.27
Electrical Installations	395.63	-	-	395.63	1.01	-	393.35	3.29
Air conditioners	350.05	1.04	-	351.09	3.06	-	338.67	14.44
Computers	22.20	-	-	22.20	1.37	-	20.01	3.56
Right-of-use assets (Refer note 36)	73.34	-	56.47	16.87	7.59	32.48	12.44	44.02
Total	2,654.08	121.82	63.78	2,712.12	62.78	39.79	1,836.68	840.39

Particulars	Gross block			Depreciation			Net block	
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 01, 2021
Land-Freehold	234.29	-	148.38	87.91	-	-	87.91	148.38
Buildings-Own Use	1,431.27	-	53.59	1,377.68	33.94	9.81	610.63	844.77
Furniture and Fixtures	200.01	0.24	1.29	198.96	0.26	1.29	198.19	0.79
Vehicles	28.02	-	-	28.02	4.36	-	22.03	10.35
Office Equipment	119.86	0.43	-	120.29	0.33	-	119.02	1.17
Electrical Installations	395.63	-	-	395.63	0.75	-	392.34	4.04
Air conditioners	349.51	0.54	-	350.05	5.02	-	335.61	18.92
Computers	18.09	4.11	-	22.20	0.55	-	18.64	-
Right-of-use assets (Refer note 36)	73.34	-	-	73.34	19.00	-	29.32	63.02
Total	2,852.02	5.32	203.26	2,654.08	64.21	11.10	1,813.69	1,091.44

Note:

- (a) All title deeds of immovable properties are held in the name of company.
(b) The Company has not revalued any of its property, plant and equipments during the years ended March 31, 2023 and March 31, 2022.



Smartlink Holdings Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

13 Intangible assets

Particulars	Gross block			Depreciation			Net block	
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions/ Adjustments	As at March 31, 2023	As at March 31, 2022
Computer Software	95.96	-	-	95.96	95.96	-	-	-
Total	95.96	-	-	95.96	95.96	-	-	-

Particulars	Gross block			Depreciation			Net block	
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 01, 2021	Additions/ Adjustments	As at March 31, 2022	As at April 01, 2021
Computer Software	95.96	-	-	95.96	91.31	4.65	-	4.65
Total	95.96	-	-	95.96	91.31	4.65	-	4.65

Note:

(a) The Company has not revalued any of its Intangible assets during the years ended March 31, 2023 and March 31, 2022.



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

14 Other Non Financial Assets

Particulars	As at March 31, 2023	As at March 31, 2022
Prepaid expenses	6.61	10.90
Surplus in Gratuity fund (funded) (Refer note 35)	12.50	5.17
Advance to vendor	7.33	7.93
Balance with government authorities	51.17	40.85
Total	77.61	64.85

15 Trade Payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	115.64	44.44
Total	115.64	44.44

Based on the information available with the Company, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

Particulars	As at March 31, 2023	As at March 31, 2022
(f) Others (undisputed)		
Unbilled Dues	20.84	23.22
Payable Not Due	-	-
Less than 1 year	92.11	20.59
1-2 years	2.69	0.29
2-3 years	-	0.31
More than 3 years	-	0.03
Total	115.64	44.44

16 Borrowings (Other than Debt Securities)

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowing measured at amortised cost		
Unsecured		
Lease liabilities	147.31	180.22
Total	147.31	180.22

17 Other Financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits	20.17	4.37
Employee Payable	33.97	33.96
Unpaid dividend*	1.84	4.14
Financial Guarantee Obligation	12.71	2.38
Asset Retirement Obligation	8.58	7.92
Total	77.27	52.77

* During the year INR 1.42 lakhs (March 31, 2022 INR 1.43 lakhs) was transferred to the Investor Education and Protection Fund.



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

18 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for leave encashment (unfunded)	5.07	5.35
Total	5.07	5.35

19 Other Non Financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	4.14	3.35
Rent received in advance	6.34	0.45
Total	10.48	3.80

20 Equity Share Capital

The Company has only one class of equity share capital having a par value of INR 2/- per share, referred to herein as equity shares.

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized		
3,50,00,000 Equity Shares of INR 2/- each	700.00	700.00
	700.00	700.00
Issued, Subscribed and paid up		
99,75,000 Equity Shares of INR 2/- each, fully paid-up	199.50	266.00
Less: NIL (Previous Year: 33,25,000) Equity Shares purchased under Buy-back scheme	-	66.50
Total	199.50	199.50

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding at the beginning of the year	99,75,000	1,33,00,000
Add: Issued during the year	-	-
Less: Buyback during the year	-	(33,25,000)
Outstanding at the end of the year	99,75,000	99,75,000

The Board of Directors of the Company at its meeting held on December 04, 2020 and the Shareholders of the Company through postal ballot on 10th February, 2021 had approved the proposal of the Company to buy-back upto 33,25,000 fully paid-up equity shares of INR 2/- each at a price of INR 95/- per share (aggregating to 17.43% of the fully paid-up Equity Share Capital and Free Reserves of the Company), payable in cash for an aggregate amount not exceeding INR 31,58,75,000/- from the existing shareholders of the Company under Tender Offer Mechanism. The offer was kept open from April 30, 2021 to May 14, 2021. The Company had bought back 33,25,000 Equity Shares and the shares were extinguished on May 27, 2021.

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of INR 2/- per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in the case of interim dividend. In the event of liquidation of company, the equity shareholders are entitled to receive the remaining assets of the company after distributions of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No of shares	% of holding	No of shares	% of holding
Mr. Kamaloksha R. Naik	48,00,163	48.12%	46,74,160	46.86%
Ms. Arati K. Naik	9,34,833	9.37%	9,34,833	9.37%
Mrs. Lakshana A. Sharma	7,94,608	7.97%	7,94,608	7.97%
Mrs. Sudha K. Naik	4,67,417	4.69%	4,67,417	4.69%



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

(d) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

Particulars	No of shares bought-back during	No of shares outstanding
31.03.2023	-	99,75,000
31.03.2022	33,25,000	99,75,000
31.03.2021	-	1,33,00,000
31.03.2020	36,50,000	1,33,00,000
31.03.2019	56,00,000	1,69,50,000

(e) As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

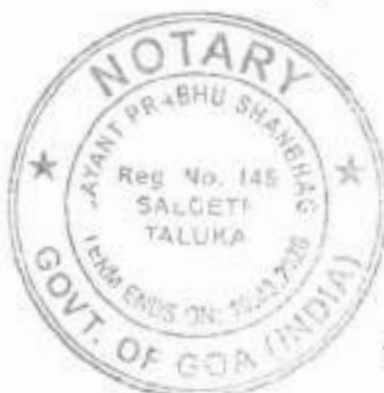
(f) Details of Shares held by Promoters at the end of the year

Promoter name	As at March 31, 2023		
	No. Of Shares	% of total shares	% Change during the year
Mr. Kamalaksha R. Naik	48,00,163	48.12%	2.70%
Ms. Arati K. Naik	9,34,833	9.37%	-
Mrs. Lakshana A. Sharma	7,94,608	7.97%	-
Mrs. Sudha K. Naik	4,67,417	4.69%	-
Mr. Amit Virendra Sharma	17,891	0.18%	100%
K R Naik HUF	1,00,493	1.01%	-
Total	71,15,405	71.34%	

Promoter name	As at March 31, 2022		
	No. Of Shares	% of total shares	% Change during the year
Mr. Kamalaksha R. Naik	45,74,160	46.86%	29.71%
Ms. Arati K. Naik	9,34,833	9.37%	29.71%
Mrs. Lakshana A. Sharma	7,94,608	7.97%	29.71%
Mrs. Sudha K. Naik	4,67,417	4.69%	29.71%
K R Naik HUF	1,00,493	1.01%	29.71%
Total	69,71,511	69.90%	

21 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
General Reserve	5,567.20	5,567.20
Surplus in Statement of Profit and Loss account	12,566.18	11,146.92
Statutory Reserve	1,254.32	899.50
Capital Contribution	92.95	92.95
Capital Redemption Reserve	400.60	400.60
FVTDCI Reserve on Financial Instruments	-	2.27
FVTDCI Reserve on defined benefit plans	4.02	0.57
Total	19,885.27	18,110.01



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

(A) General Reserve (GR)*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	5,567.20	5,567.20
Add: Transfer from Surplus in Profit and Loss account	-	-
Closing balance	5,567.20	5,567.20

* General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013

(B) Surplus / (deficit) in the Statement of Profit and Loss *

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	11,146.92	12,693.96
Add : Net profit / (loss) for the year	1,774.08	2,895.35
Amount available for appropriations	12,921.00	15,589.31
Less : Appropriations		
Less: Transferred to Statutory Reserve	(354.82)	(579.07)
Less: Paid to Shareholders for purchase of shares under buyback scheme	-	(3,158.75)
Less: Buyback Tax	-	(704.57)
Closing balance	12,566.18	11,146.92

* This represents the cumulative profits of the Company. It will be utilized in accordance with the provisions of the Companies Act, 2013.

(C) Statutory Reserve (As per section 45 IC of the Reserve Bank of India Act 1934)*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	899.50	320.43
Add: Transfer from surplus in statement of profit and loss account	354.82	579.07
Closing balance	1,254.32	899.50

*This represents provision created under section 45-IC of the Reserve Bank of India Act, 1934. It will be utilized in accordance with the provisions of the Reserve Bank of India Act, 1934

(D) Capital Contribution*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	92.95	92.95
Add / (less): Change during the year	-	-
Closing balance	92.95	92.95

* Represents impact of Interest on loan to subsidiaries by promoters at lower than market rate of interest.

(E) Capital Redemption Reserve*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	400.60	334.10
Add: NIL Equity Shares (March 31, 2022 33,25,000) of INR 2/- each purchased under buyback scheme	-	66.50
Closing balance	400.60	400.60

*This is on account of transfer towards buyback of equity shares. It will be utilized in accordance with the provisions of the Companies Act, 2013.



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

(F) FVTOCI Reserve on financial instruments*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	2.27	2.27
Add / (loss): Change during the year	(2.27)	-
Closing balance	-	2.27

* Represents changes in the fair value of certain investments in debt securities. These changes are accumulated within the FVTOCI reserve within equity. The Company transfers amounts from this reserve to Surplus in the Statement of Profit and Loss when the relevant debt securities are derecognised.

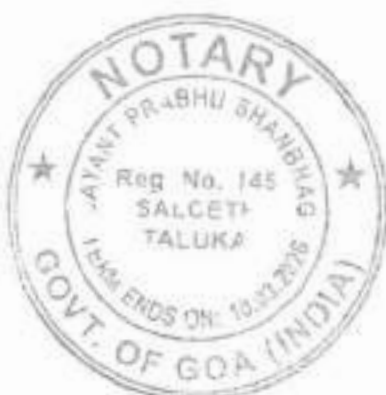
(G) FVTOCI Reserve on defined benefit plans*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	0.57	2.89
Add / (loss): Change during the year	3.45	(2.32)
Closing balance	4.02	0.57

* Represents remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expenses on the net defined benefit liability are recognised in the other comprehensive income instead of profit and loss.



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

22 Interest Income

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
On financial assets measured at FVTOCI		
Interest on preference shares	2.53	4.78
	2.53	4.78
On financial assets measured at amortised cost		
Interest on bonds	349.68	412.24
Interest on deposits with banks	37.18	42.88
Interest on deposits with financial institutions	38.34	6.24
Other interest income	0.24	0.60
	425.44	461.96
Total	427.97	466.74

23 Fees and commission Income

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Guarantee Commission Income	12.24	9.62
Total	12.24	9.62

24 Net Gain On Fair Value Changes*

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
On financial instruments designated at fair value through profit or loss	317.78	342.48
Total	317.78	342.48
Fair Value changes:		
- Realised	199.44	686.28
- Unrealised	118.34	(343.80)

*Fair value changes in this schedule are other than those arising on account of interest income/expense.

25 Other Income

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Gain on derecognition of RoU assets	2.72	-
Interest on income tax refund	0.44	-
Profit on Property, plant and equipment sold / written off (net)	3.57	0.45
Sale of Scrap	-	0.85
Foreign Exchange gain - (net)	0.01	0.01
Reversal of impairment on financial instruments (refer foot note)	143.95	2,818.32
Total	150.69	2,819.64

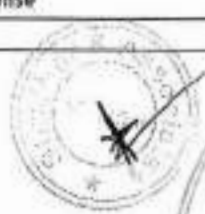
Footnote :-

Current year reversal of INR 143.95 lakhs pertain to impairment on financial instruments pursuant to the approval of scheme of amalgamation of subsidiary Company (refer foot note 1 in note 10).

During the previous year, the company has reversed impairment of INR 2818.32 lakhs of its investment in subsidiary Digisol Systems Limited.

26 Finance Costs

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
On Financial liabilities measured at Amortised Cost		
Interest on deposits	1.13	0.29
Interest on borrowings	12.59	15.04
Other interest expense	2.97	1.37
Total	16.69	16.70



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

27 Impairment on financial instruments

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
On Financial Instruments measured at FVTOCI		
Investment in Preference Shares (Interest)	0.26	4.78
Total	0.26	4.78

28 Employee Benefits Expenses

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Salaries and wages	264.97	257.54
Contribution to provident and other funds (Refer Note 35)	6.81	7.12
Gratuity expenses (Refer Note 35)	1.79	1.32
Staff welfare expenses	12.34	10.50
Total	285.91	276.48

29 Depreciation and amortisation expense

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Depreciation on property, plant and equipment (refer note 12)	62.78	64.21
Amortization on Intangible Assets (refer note 13)	-	4.65
Depreciation on Investment Property (refer note 11)	39.44	39.45
Total	102.22	108.31

30 Other expenses

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Rent, rate and taxes	29.63	20.70
Repairs and maintenance	222.29	52.13
Communication expenses	6.27	8.00
Printing and stationery expenses	1.90	0.58
Advertisement expenses	12.18	13.42
Director's fees	22.45	14.17
Auditor's fees and expenses (Refer footnote)	15.28	15.22
Legal and professional charges	79.07	81.60
Insurance	7.98	11.84
Annual maintenance expense	12.54	11.80
Software connectivity license/maintenance expenses	42.67	24.98
Travelling and conveyance expenses	29.76	19.70
Power and fuel expenses	89.18	69.93
Membership and subscription fees	0.40	0.14
Sundry balance written off (net)	8.18	-
Bad Debts Written Off	58.16	-
Office Expenses	13.54	11.51
Application, registration & filing Fees	0.72	0.61
Expenditure on corporate social responsibility (Refer Note 57)	7.65	12.89
Miscellaneous expenses	19.02	15.90
Bank charges	0.26	0.06
Total	679.13	385.18



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

Note:-

Payment to Auditors

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Charged to Auditor's fees and Expenses:		
Statutory audit fees including GST expensed	14.17	14.17
Reimbursement of expenses including GST expensed	0.24	0.40
	14.41	14.57
Other certification fees including GST expensed	0.87	0.65
Total	15.28	15.22

31 Income tax expense

(A) Deferred tax relates to the following:

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Deferred tax assets		
On account of timing difference in retiral and other employee benefits	1.28	1.35
On account of fair value of financial assets designated at FVTOCI	-	12.41
Provision for doubtful debts / advances	-	2.01
On disallowance u/s 40A of Income Tax Act, 1961	1.03	1.14
	2.31	16.91
Deferred tax liabilities		
On property, plant and equipment	161.89	155.10
On account of fair value of financial assets designated at FVTPL	206.12	173.07
	368.01	328.17
Deferred tax liability (Net)	365.70	311.26

(B) Reconciliation of deferred tax assets/ (liabilities) (net):

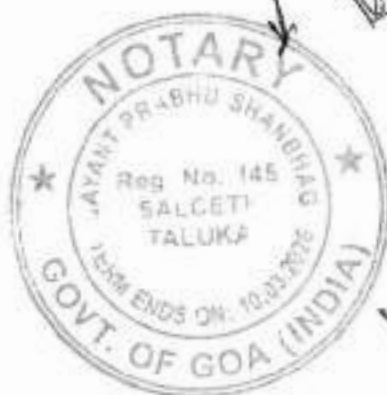
Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Opening balance as of April 01	(311.26)	(385.15)
Tax assets / (liabilities) recognized in statement of profit and loss	(53.29)	73.11
Tax assets / (liabilities) recognized in OCI	-	-
-On re-measurements gain of post-employment benefit obligations	(1.16)	0.78
Closing balance as at March 31	(365.70)	(311.26)

(C) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Tax liability	53.29	-
Tax asset	-	73.11
Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss	53.29	73.11

(D) Income tax expense reported in the statement of profit or loss

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
- Current tax	334.89	108.42
- Deferred tax charge / (income)	53.29	(73.11)
- Adjustments in respect of current income tax of previous year	(49.72)	6.90
Income tax expense reported in the statement of profit or loss	338.46	42.21



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

(E) Income tax expense charged / (credit) to OCI

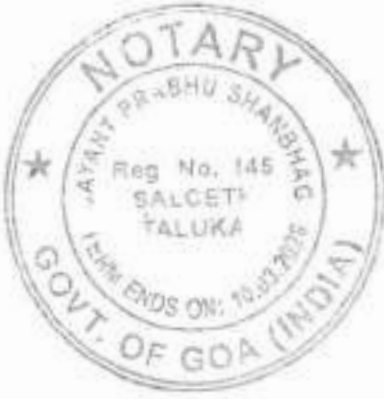
Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Net fair value (gain)/loss on debt securities	-	-
Net loss/(gain) on remeasurements of defined benefit plans	1.16	(0.78)
Income tax expense charged / (credit) to OCI	1.16	(0.78)

(F) Reconciliation of tax charge

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Profit before tax	2,112.54	2,937.56
Tax Rate	25.168%	25.168%
Income tax expense at tax rates applicable	531.68	739.33
Tax effects of:		
- Item not deductible for tax	-	(704.02)
- CSR expenditure not allowed for tax purpose	1.92	-
- Leasehold land amortisation not claimed in income tax	2.02	-
- Others	(53.38)	-
Effect due to tax paid on exceptional item at a lower rate (net of business loss)	(94.06)	-
Earlier year adjustment	(49.72)	6.90
Income tax expense	338.46	42.21



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Smartlink Holdings Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

32 Earnings/ loss per share

Basic earnings/(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Ordinary equity shareholders		
Profit/(Loss) attributable to ordinary equity holders	1,774.08	2,895.35
Weighted average number of equity shares	99.75	104.94
Face Value per share	2	2
Basic earnings per share (INR)	17.79	27.59
Diluted earnings per share (INR)	17.79	27.59

33 Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Bank guarantees given in favour of Electricity Department - Government of Goa	71.61	71.61
Corporate guarantees given in favour of banks on behalf of Digisol Systems Limited (Wholly owned subsidiary)		
HDFC Bank Limited	3,000.00	2,000.00
Bajaj Finance Limited	2,000.00	-
Corporate guarantees given in favour of banks on behalf of Synegra EMS Limited (Wholly owned subsidiary)		
HDFC Bank Limited	1,300.00	1,300.00
Small Industries Development Bank Of India	270.00	-
Total	6,641.61	3,371.61

34 Capital and other commitments

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account	-	275.04
Non-cancellable lease liabilities undiscounted basis net of liability recognised (Refer Note 36)	719.95	734.22

35 Employee benefits

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss -

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Employer's Contribution to Provident Fund and Pension Fund	4.43	4.72
Employer's contribution to National Pension Scheme	1.94	1.76
Employer's contribution to Employee State Insurance Scheme	0.44	0.64
Total	6.81	7.12



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

(B) Defined benefit plans

a) Gratuity payable to employees

The Company has a defined benefit gratuity plan and governed by payment of Gratuity Act, 1972. Every employee who has completed five years or more of services is entitled to a gratuity on departure at 15 days of last drawn salary for each completed year of services. The scheme is funded through a policy with LIC.

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Actuarial assumptions		
Discount rate (per annum)	7.20%	7.27%
Rate of increase in Salary	6.00%	5.00%
Expected average remaining working lives of employees (years)	13.07	12.77
Attrition rate	PS: 0 to 5 : 3% PS: 5 to 40 : 0%	PS: 0 to 5 : 3% PS: 5 to 40 : 0%
Mortality	IAAM (2012-14) Ult	IAAM (2012-14) Ult
(ii) Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	24.82	23.71
Interest cost	1.82	1.49
Current service cost	2.17	2.03
Benefits paid	-	(5.14)
Actuarial (gain)/ loss on obligations - Due to change in Financial Assumptions	0.31	(1.20)
Actuarial (gain)/ loss on obligations - Due to experience	(4.71)	3.93
Present value of obligation at the end of the year	24.41	24.82
(iii) Change in the fair value of plan assets:		
Opening fair value of plan assets	29.99	33.29
Adjustment to Opening Fair Value of Plan Asset	-	0.01
Interest Income	2.20	2.20
Contributions by employer	4.50	-
Benefits paid	-	(5.14)
Return on plan assets excluding interest income	0.22	(0.37)
Closing fair value of plan assets	36.91	29.99

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
(iv) Expense recognized in the Statement of Profit and Loss		
Current service cost	2.17	2.03
Past service cost	-	-
Interest cost (net)	(0.38)	(0.71)
Total expenses recognized in the Statement Profit and Loss*	1.79	1.32

*Included in Employee benefits expense (Refer Note 28).

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
(v) Expense recognized in Other comprehensive Income		
Actuarial (gain) / loss on Obligation for the period	(4.40)	2.73
Return on plan assets excluding interest income	(0.22)	0.37
Net actuarial (gains) / losses recognised in OCI	(4.62)	3.10

Particulars	As at March 31, 2023	As at March 31, 2022
(vi) Assets and liabilities recognized in the Balance Sheet:		
Present value of obligation as at the end of the year	24.41	24.82
Fair Value of Plan Assets at the end of the year	36.91	29.99
Net asset / (liability) recognized in Balance Sheet*	12.50	5.17

*Included in Other Non Financial Assets (Refer note 14)



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

vii) Expected contribution to the fund in the next year INR 2.18 lakhs

viii) A quantitative sensitivity analysis for significant assumption is as shown below:

Impact on Present Value obligation	For the Year Ended March 31, 2023		For the Year Ended March 31, 2022	
	+1%	-1%	+1%	-1%
Change in discount rate	22.27	16.87	22.93	17.00
Change in salary escalation rate	26.86	12.23	27.02	12.88

ix) Maturity profile of defined benefit obligation

Years	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Year 1	0.13	0.14
Year 2	0.13	0.17
Year 3	0.15	0.18
Year 4	0.20	0.22
Year 5	2.05	8.98
Year 6 to 10	20.39	18.31

b) Leave encashment

Particulars	As at March 31, 2023	As at March 31, 2022
Actuarial assumptions		
Discount rate (per annum)	7.20%	7.27%
Rate of Increase in Salary	6.00%	5.00%
Expected average remaining working lives of employees (years)	13.07	12.77
Attrition rate	PS: 0 to 5 : 5% PS: 5 to 40 : 0%	PS: 0 to 5 : 9% PS: 5 to 40 : 0%
Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult

36 Leases

(A) Operating leases where Company is a lessee:

When the intermediate lessor enters into the sublease which is classified as Operating lease, it retains the lease liability and the right-of-use asset relating to the head lease in its statement of financial position. During the term of the sublease, the intermediate lessor: Recognises a depreciation charge for the right-of-use asset and interest on the lease liability and lease income from the sublease.

Further Ind AS 116 requires inclusion of variable lease payments based on index or a rate.

Variable lease payments based on an index or a rate: Variable lease payments based on an index or a rate (for example, linked to a consumer price index, a benchmark interest rate or a market rental rate) are part of the lease liability. From the perspective of the lessee, these payments are unavoidable, because any uncertainty relates only to the measurement of the liability but not to its existence. Variable lease payments based on an index or a rate are initially measured using the index or the rate at the commencement date (instead of forward rates/indices). This means that an entity does not forecast future changes of the index/rate; these changes are taken into account at the point in time in which lease payments change.

However, based on management's estimates that lease payment increases 10% after a period of a period of three years. Therefore, based on management judgement, estimates and conservative approach it is estimated, lease liability has been calculated based on these estimated cash flows.

Following are the changes in the carrying value of right of use assets for the year ended 31 March 2023:

Particulars	Category of ROU Asset		Total
	Land & Buildings	Prepaid Rent	
Balance as on April 01, 2021	61.34	1.68	63.02
Additions	-	-	-
Deletion	-	-	-
Depreciation	18.37	0.63	19.00
Balance as on March 31, 2022	42.97	1.05	44.02
Additions	-	-	-
Deletion	23.18	0.81	23.99
Depreciation	7.35	0.24	7.59
Balance as on March 31, 2023	12.44	-	12.44

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

The following is the movement in lease liabilities during the year ended March 31, 2023:

Particulars	Amount
Balance as on April 01, 2021	196.64
Additions	-
Deletion	-
Finance cost accrued during the period	15.04
Payment of lease liabilities	(31.46)
Balance as on March 31, 2022	180.22

Particulars	Amount
Balance as on April 01, 2022	180.22
Additions	-
Deletion	(25.86)
Finance cost accrued during the period	12.59
Payment of lease liabilities	(19.64)
Balance as on March 31, 2023	147.32

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	11.59	32.45
One to five years	57.93	72.30
More than five years	797.75	809.69
Total	867.27	914.44

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Lease rentals paid on short term leases for current year INR 2.16 lakhs (previous year INR NIL)

(B) Operating leases where Company as a lessor:

The Company has entered into cancellable operating leases on its investment property portfolio consisting of certain office and manufacturing buildings. These leases have terms of between 11 months to 60 months. Certain leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

The total rental income on assets given on operating leases amounts to INR 196.50 lakhs for the year ended March 31, 2023 (March 31, 2022 INR 90.53 lakhs).

Future minimum rentals receivables under operating leases as at March 31 are, as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Within one year	213.56	131.25
After one year but not more than five years	701.20	246.31

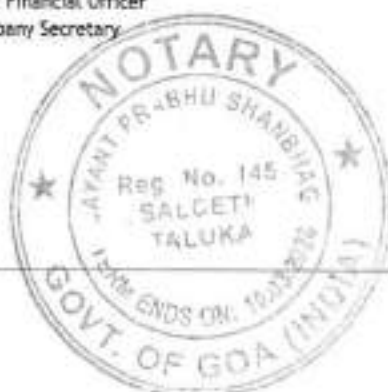
37 Related party disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Company:

Subsidiary Companies
Digisol Systems Limited
Synegra EMS Limited
Telesmart SCS Limited (Merged with Digisol Systems Limited w.e.f April 01, 2022)

Enterprise over which key management person is able to exercise significant influence.
Mr. Kamalaksha R. Naik (HUF)

Key Management Personnel (KMP)
Mr. Kamalaksha R. Naik - Executive Chairman
Mr. Krishnanand M. Gaonkar - Non Executive Independent Director
Mr. Bhanubhai R. Patel - Non Executive Independent Director
Mr. Pankaj M. Saliga - Non Executive Independent Director
Mr. Pradeep A. Rane - Non Executive Independent Director
Mr. Pradeep G. Pande - Non Executive Independent Director (retired w.e.f January 04, 2022)
Ms. Arati K. Naik - Executive Director
Mr. K. G. Prabhu - Chief Financial Officer
Ms. Urjita Damle - Company Secretary



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Smartlink Holdings Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

Relatives of key management personnel :
Ms. Armit K. Nalk
Mrs. Sucha K. Nalk
Mrs. Lakshana A. Sharma

(B) Details of transactions with related party in the ordinary course of business for the year ended:

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Subsidiary	Enterprise over which key management person is able to exercise significant influence,	Key Management Personnel/ Relative of Key management personnel	Subsidiary	Enterprise over which key management person is able to exercise significant influence,	Key Management Personnel/ Relative of Key management personnel
Rent Income						
Digisol Systems Limited	71.42	-	-	52.80	-	-
Synegra EHS Limited	55.75	-	-	-	-	-
Rent Expense						
Digisol Systems Limited	2.56	-	-	-	-	-
Rent Written off						
Digisol Systems Limited	32.72	-	-	-	-	-
Synegra EHS Limited	25.44	-	-	-	-	-
Purchase of Networking Products						
Digisol Systems Limited	0.09	-	-	1.07	-	-
Charged towards CSR expenses						
Digisol Systems Limited	-	-	-	1.03	-	-
Investment in Subsidiary						
Synegra EHS Limited	1,000.00	-	-	1,050.00	-	-
Managerial Remuneration						
Mr. K. G. Prabhu	-	-	56.18	-	-	35.87
Short-term employee benefits	-	-	0.22	-	-	0.22
Post-employment benefits	-	-	-	-	-	-
Ms. Urjita Damle	-	-	16.28	-	-	13.99
Short-term employee benefits	-	-	0.22	-	-	0.22
Post-employment benefits	-	-	-	-	-	-
Director Sitting Fees						
Mr. Krishnand M. Geonkar	-	-	5.55	-	-	2.50
Mr. Parvati M. Baitge	-	-	6.05	-	-	3.00
Mr. Pradeep A. Rane	-	-	3.50	-	-	2.50
Mr. Bhambhal R. Patel	-	-	5.50	-	-	3.00
Mr. Pradeep G. Pandey	-	-	-	-	-	2.00
Consideration paid for Buyback of Shares						
Mr. Kamalaksha R. Nalk	-	-	-	-	-	1,877.05
Mr. Kamalaksha R. Nalk (HUF)	-	-	-	-	40.26	-
Ms. Aarti K. Nalk	-	-	-	-	-	375.41
Mrs. Sucha K. Nalk	-	-	-	-	-	187.79
Mrs. Lakshana A. Sharma	-	-	-	-	-	319.10
Bank Guarantee given during the year on behalf of						
Digisol Systems Limited	5,000.00	-	-	2,000.00	-	-
Synegra EHS Limited	1,570.00	-	-	1,300.00	-	-
Bank Guarantee revoked during the year						
Digisol Systems Limited	2,000.00	-	-	2,000.00	-	-
Synegra EHS Limited	1,300.00	-	-	-	-	-



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

Balances due from and due to related parties

Particulars	As at March 31, 2023	As at March 31, 2022
Amount due from related party as on:		
Subsidiary Companies:		
Digisol Systems Limited	16.98	14.26
Synegra EMS Limited	30.11	25.44
Tolesmart SCS Limited	-	31.72
Amount of Corporate Guarantee given and outstanding as on:		
Subsidiary Companies:		
Digisol Systems Limited	5,000.00	2,000.00
Synegra EMS Limited	1,370.00	1,300.00

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

38 Segment reporting

The Executive-Chairman of the Company acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (Ind AS 108), for purpose of assessing the financial performance and position of the Company, and make strategic decisions. The Company's business activities are mainly related to Investments and Real Estate, which are primarily assessed as a single reportable operating segment in accordance with Ind AS 108 by the CODM.

39 Fair values of financial assets and financial liabilities

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

B. Measurement of fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash, bank balances, short-term deposits, trade and other short-term receivables, trade payables, other current liabilities and other financial liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.
2. The fair value of non-current financial assets comprising of term deposits at amortised cost using Effective Interest Rate (EIR) are not significantly different from the carrying amount.
3. The fair value of Lease liabilities are calculated based on cash flows discounted using a current lending rate. They are classified at level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

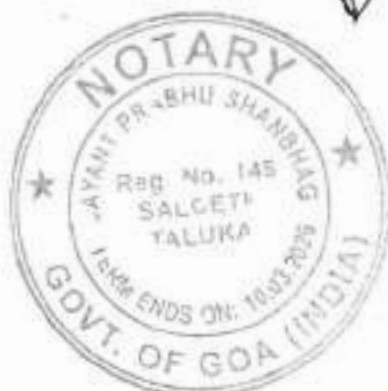
40 Fair value hierarchy

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

•Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

•Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The fair value of Mutual funds and FVOCI bonds and preference shares are based on published net assets values or other observable market data. They are classified at level 2 in the fair value hierarchy.

•Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



Smartlink Holdings Limited
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
(Amount in INR Lakhs, unless otherwise stated)

Fair value measurement hierarchy of assets and liabilities

Particulars	Fair value hierarchy	As at March 31, 2023	As at March 31, 2022
Financial assets measured at amortized cost			
Investments in Debt securities	Level 3	4,351.90	3,056.62
Fixed Deposits	Level 3	1,537.31	-
Security Deposits	Level 3	7.93	23.93
Financial assets measured at fair value			
(a) Financial assets measured at fair value through profit or loss	Level 2	6,191.41	5,915.92
Investments in mutual funds			
(b) Trade receivables	Level 2	55.36	75.38
(b) Financial assets measured at fair value through other comprehensive income	Level 2	-	49.20
Investments in Debt securities			
Financial liabilities measured at amortized cost			
Security Deposits	Level 3	20.17	4.37
Lease Liabilities	Level 3	147.31	180.22
Financial guarantee obligation	Level 3	12.71	2.38
Asset retirement obligation	Level 3	8.58	7.92

There have been no transfers between Level 1 and Level 2 during the period

41 Financial risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk and price risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimise the Company's position with regards to interest income, treasury team manages the interest rate risk by diversifying its portfolio across tenures. The Company does not have exposure to the risk of changes in market interest rates as the Company's long-term debt obligations are with fixed interest rates.

(ii) Price risk

The Company's exposure to securities risk arises from investments held by the Company and classified in the Balance Sheet as fair value through OCI.

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk primarily arises from cash equivalents, trade receivables, financial assets measured at amortised cost and financial assets measured at fair value through profit or loss or other comprehensive income. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

For other financial assets and investments, the Company has an investment policy which allows the Company to invest only with counterparties having a good credit rating. The Company reviews the credit worthiness of these counterparties on an on-going basis. Counterparty limits may be updated as and when required subject to approval of Board of Directors.



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts as mentioned in Note 5, 6, 7, 8 and 10.

(C) Liquidity risk

The Company's principal sources of liquidity are 'cash and cash equivalents' and cash flows that are generated from operations. The Company believes that its working capital is sufficient to meet the financial liabilities within maturity period. The Company has no borrowings. Additionally, the Company has invested its surplus funds in fixed income securities or instruments of similar profile thereby ensuring safety of capital and availability of liquidity as and when required. Hence, the Company carries a negligible liquidity risk.



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

42. The Company has not given Loans or Advances in the nature of loans to Promoters, Directors, Key Management Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

43. Capital-Work-In Progress (CWIP)

(a) For Capital-work-in progress ageing schedule

31 March 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

31 March 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	215.70	-	215.70

44. Intangible assets under development

The Company does not have any intangible assets under development during the current year and the previous year.

45. Details of Benami Property held

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

46. Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

The Company has not availed any overdraft facility / loan during the current year and the previous year.

47. Wilful Defaulter

The Company has not been declared a wilful defaulter by any bank or financial institution.

48. Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

49. Registration of charges or satisfaction with Registrar of Companies

The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

50. Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

51 Utilisation of Borrowed funds and share premium:

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

52 The Company is a Non Banking Financial Company - Non-Systemically Important Non-Deposit taking Company as per the Reserve Bank of India circular RBI/DNBT/2016-17/44 Master Direction DNBR.PD.007/03.10.119/2016-17. Thus, the following analytical ratios are not applicable to the Company.

1. Capital to risk-weighted assets ratio (CRAR)

2. Tier I CRAR

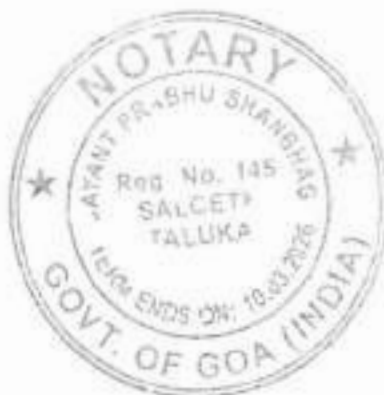
3. Tier II CRAR

4. Liquidity Coverage Ratio.



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

53 Maturity analysis of assets and liabilities

A The below table shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	As at March 31, 2023			As at March 31, 2022		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Financial assets						
Cash and cash equivalents	35.51	-	35.51	31.10	-	31.10
Bank Balance other than Cash and cash equivalents	1.84	801.74	803.58	4.14	1,078.44	1,082.58
Investments	6,701.58	10,820.74	17,522.12	5,915.91	9,131.61	15,047.52
Receivables- Other Receivables	55.36	-	55.36	75.38	0.00	75.38
Other financial assets	1.45	7.93	9.38	1.30	23.93	25.23
Non Financial Assets						
Tax assets (Net)	-	147.21	147.21	-	56.75	56.75
Investment Property	-	1,280.03	1,280.03	-	1,467.85	1,467.85
Property, Plant and Equipment	-	875.44	875.44	-	840.39	840.39
Capital work-in-progress	-	-	-	-	215.70	215.70
Intangible assets	-	-	-	-	-	-
Other non-financial assets	65.11	12.50	77.61	59.68	5.17	64.85
Total Assets	6,860.65	13,945.59	20,806.24	6,087.51	12,819.84	18,907.35
Financial liabilities						
Trade Payables	115.64	-	115.64	44.44	-	44.44
Borrowings (Other than debt securities)	0.03	147.28	147.31	18.82	161.40	180.22
Other financial liabilities	48.52	28.75	77.27	44.85	7.92	52.77
Non financial liabilities						
Current tax liabilities (Net)	-	-	-	-	-	-
Provisions	1.09	3.98	5.07	4.10	1.25	5.35
Deferred tax liabilities (Net)	-	365.70	365.70	-	311.26	311.26
Other non-financial liabilities	5.70	4.78	10.48	3.80	-	3.80
Total Liabilities	170.98	550.49	721.47	116.01	481.83	597.84
Net	6,689.67	13,395.10	20,084.77	5,971.50	12,338.01	18,309.51

5 Public Disclosure on liquidity risk

(i) Funding concentration based on significant counterparty (both deposits and borrowings)

Number of significant counterparties	Amount (INR Crores)	% of total deposits	% of total liabilities
Not Applicable			

(ii) Top 20 large deposits (amount in INR crore and % of total deposits)

Not Applicable

(iii) Top 10 borrowings (amount in INR crore and % of total borrowings)

Not Applicable

(iv) Funding Concentration based on significant Instrument/product

Sr No.	Name of the instrument/product	Amount (INR crore)	% of Total Liabilities
Not Applicable			



Smartlink Holdings Limited
 Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023
 (Amount in INR Lakhs, unless otherwise stated)

(v) Stock Ratios:

- (a) Commercial papers as a % of total public funds, total liabilities and total
 Not Applicable
- (b) Non-convertible debentures (original maturity of less than one year) as a % of total public funds, total liabilities and total assets
 Not Applicable
- (c) Other short-term liabilities, If any as a % of total public funds, total liabilities and total assets

Particulars	As at March 31, 2023	As at March 31, 2022
Short term liabilities as a % of total public funds	-	-
Short term liabilities as a % of total Liabilities	23.70%	19.40%
Short term liabilities as a % of total Assets	0.82%	0.61%

(vi) Institutional set-up for liquidity risk management
 Not Applicable



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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

54 Undisclosed Income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

55 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

56 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The Company operates as an Investment Company and consequently is registered as a Non-Banking Financial Institution - (Non Public Deposit Accepting) with Reserve Bank of India (RBI).

The Company does not have any borrowings in the nature of loans and advances from Banks, financial institutions and others and is cash surplus. The cash surpluses are currently invested in income generating debt instruments (including through mutual funds) and money market instruments depending on economic conditions in line with investment policy set by the Management. Safety of capital is of prime importance to ensure availability of capital for operations. Objective of investment policy is to provide safety and adequate return on the surplus funds.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2023 and March 31, 2022.

- 57** As per provisions of section 135 of Companies Act 2013, the Company was required to spend INR 7.40 lakhs (March 31, 2022: INR 13.76 lakhs) being 2% of average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy on the activities specified in Schedule VII of the Act. The Company has spent INR 7.89 lakhs (including excess of earlier year) (March 31, 2022: INR 14.00 lakhs) towards Corporate Social Responsibility activities as under:

A.	Particulars	As at March 31, 2023	As at March 31, 2022
	Gross Amount required to be spent as per Section 135 of the Act	7.40	13.76
	Add: Amount Unspent from previous years	-	-
	Total Gross amount required to be spent during the year	7.40	13.76

B.	Amount approved by the Board to be spent during the year	7.65	16.35
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C. Amount spent during the year on

(i) Construction/acquisition of an asset	-	-
(ii) On purposes other than (i) above	7.65	12.89

D. Details related to amount spent

Particular	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above		
- Installation of Networking products in various schools	-	2.50
- Prime Minister's National Relief Fund	-	1.51
-Promoting healthcare	-	0.57
-Contribution to Foundations / Trusts	-	-
-Education purpose	7.65	8.31
Total	7.65	12.89

E. Details of excess CSR expenditure

Nature of Activity	Balance excess as at April 01, 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2023
-On purpose other than Construction / acquisition of any asset	(0.24)	7.40	7.65	(0.49)

Nature of Activity	Balance excess as at April 01, 2021	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2022
-On purpose other than Construction / acquisition of any asset	(1.11)	13.76	12.89	(0.24)



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

F. Disclosures on Shortfall

Particulars	March 31, 2023	March 31, 2022
Amount Required to be spent by the Company during the year	7.40	13.76
Actual Amount Spent by the Company during the year	7.65	12.89
FY Excess adjusted during the FY	0.24	1.11
Shortfall/(Excess) at the end of the year	(0.49)	(0.24)
Total of previous years shortfall	-	-
Reason for shortfall - State reasons for shortfall in expenditure	-	-

58 Disclosure requirement as per regulation 34(3) of SEBI LODR Rules, 2015

Particulars	As at March 31, 2023	As at March 31, 2022
Loans and advances in the nature of loans to subsidiaries by name and amount.	-	-
Loans and advances in the nature of loans to associates by name and amount.	-	-
Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.	-	-
Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	-	-

59 As at March 31, 2023, the Company did not have any outstanding long term derivative contracts (previous year INR NIL)

60 There were no whistleblower complaints received during the FY 2022-23.

61 The Company does not have any scheme of arrangement which has an accounting impact on current or previous financial year.

62 Events after reporting date:-

There have been no events after the reporting date that require disclosure in these financial statements.

As per my report of even date
For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No.: 134427W

Abhishek Pachangia
Partner
Membership No. 120593



Place: Mumbai
Date: May 17, 2023

For and on behalf of the Board of Directors of
Smartlink Holdings Limited
CIN : L67100GA1993PLC001341

K.R. Naik
Executive Chairman
DIN: 00002013

K.G. Prabhu
Chief Financial Officer

Place: Mumbai
Date: May 17, 2023

Arati Naik
Executive Director
DIN: 06965985

Urjita Damle
Company Secretary
ICSI Membership No. 24654



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Shridhar & Associates **Chartered Accountants**

INDEPENDENT AUDITOR'S REPORT

To the Members of Smartlink Holdings Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Smartlink Holdings Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including the Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2023, of consolidated profit, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

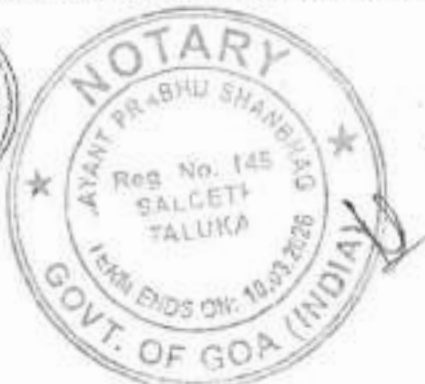
Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue Recognition from Networking Products

Refer the disclosure related to Revenue recognition in Note 26 to the accompanying Consolidated Financial Statements.

The Group has two business segments, a) Investment b) Networking products: Developing, manufacturing, sales and servicing of various information technology (IT) hardware products.

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Shridhar & Associates ***Chartered Accountants***

Revenue from sale and servicing of networking products is recognised net of returns and trade discounts. The Group recognises revenue when performance obligations as per the underlying contracts are satisfied in accordance with Ind AS 115 - Revenue from Contract with Customers ('Ind AS 115'). The terms set out in the Group's sales contracts are varied which affect the timing of revenue recognition.

We have identified Revenue recognition from networking products as a Key Audit Matter because Ind AS 115 involved assessing if distinct performance obligations exists under each type of the contracts and ensuring that the revenue is recognised in the appropriate period in which contractual obligation is satisfied.

Our audit procedures to assess the recognition of revenue from Networking Products included the following:

- Obtained an understanding and assessed the design, implementation and operating effectiveness of internal controls over identification of the contractual obligation existence, accuracy and timing of revenue recognition.
- Verified the contracts on test check basis to identify performance obligations under the contract and to assess whether revenue is recognised in the period in which the performance obligation is satisfied.
- Performed substantive transactional testing on test check basis.
- Performed substantive analytical procedures considering the revenue trends of the previous years and the relationship between revenue and other financial statement line items.
- Reconciled the revenue with sales register.
- Performed cut-off testing to validate the timing of revenue recognition determined by management.
- Verified the completeness and accuracy of the disclosures, which are included in note 26 of the consolidated financial statements.

2. Valuation of Investments in Bonds and Mutual Funds

Refer Note 13 to the consolidated financial statements.

As at March 31, 2023, the Holding Company has investments of Rs. 10,743.31 Lakhs in mutual funds and bonds which constitutes about 41.06% of the total assets of the Group. During the year, the Holding Company has recognised Rs. 317.78 Lakhs as fair value gain in the statement of Profit and Loss as per requirements of Ind AS 109 "Financial Instruments".

Due to significance of amount involved, we have considered this as Key Audit Matter.

Our audit procedures to assess the Valuation of Investment in Bonds and Mutual Funds included the following:

- Obtained an understanding and assessed the design, implementation and testing of the operating effectiveness of internal controls over the existence, valuation and classification, in mutual funds and bonds.
- Verified the de-mat account and statement of holdings to confirm existence and accuracy of Bonds as at March 31, 2023
- Verified the confirmations from Fund Houses and statements of holdings to confirm existence and accuracy of investments in Mutual Funds as on March 31, 2023.

Shridhar & Associates, 101, 1st Floor, Vaibhav Chambers, Madhusudan Kalekar Road, Bandra East, Mumbai-400052
Head Office Tel: +91 (22) 2604 3028 / 2604 4363 / 6741 1399 Email: info@shridharandassociates.com



Shridhar & Associates **Chartered Accountants**

- In respect of investments in mutual funds which are fair valued through profit or loss, performed independent price checks based on confirmation and statement of Net Asset Value (NAV) from mutual funds houses.
- In respect of investments in bonds which are valued at amortised cost, verified the deal sheets and computation of interest accrued.
- Evaluated the basis of classification of investments into the various categories of financial instruments.
- Verified the completeness and accuracy of the disclosures, which are included in note 13 of the Consolidated financial statements.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in Director's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the Independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 11,584.43 lakhs as at March 31, 2023, total revenue of Rs. 20,452.23 lakhs and total net profit after tax of Rs. 368.41 lakhs and net cash outflows amounting to Rs. 22.63 lakhs for the year ended on that date, as considered in the consolidated financial statements, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

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- d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.
- e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The group does not have any pending litigations on its financial position which require disclosures in the consolidated financial statements as at March 31, 2023.
 - ii. The Group did not have any material foreseeable losses, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
 - iv.
 - (1) The Management of the Holding Company has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company, and its subsidiary companies to or in any other persons / entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries have, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, and its subsidiary companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (2) The Management of the Holding Company has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company, and its subsidiary companies from any person(s) / entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and its subsidiary companies have directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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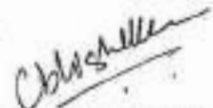


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- (3) Based on our audit procedures which we have considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management of the Holding Company in this regard, nothing has come to our notice that has caused us to believe that the representations made by the Management of the Holding Company under sub-clause (1) and (2) contain any material misstatement.
- v. The Holding Company and its subsidiary company incorporated in India have not declared or paid dividend during the year and therefore reporting compliance with section 123 of the Act is not applicable.
2. In our opinion, according to information, explanations given to us, the remuneration for the year ended March 31, 2023 paid by the Group to its directors is within the limits laid prescribed under Section 197 of the Act read with Schedule V to the Act.
3. According to the information and explanations given to us and based on the CARO reports issued by us for the Company and on consideration of CARO reports by statutory auditors of subsidiaries associates included in the consolidated financial statements of the Company to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks.
4. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No. 134427W


Abhishek Pachlangia
Partner
Membership No.: 120593
UDIN: 23120593BGWJMN1876

Place: Mumbai
Date: May 17, 2023



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ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SMARTLINK HOLDINGS LIMITED FOR THE YEAR ENDED MARCH 31, 2023

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Smartlink Holdings Limited on the consolidated Financial Statements for the year ended March 31, 2023]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Smartlink Holdings Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies are companies incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company, its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding company, its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

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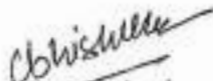
Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No. 134427W


Abhishek Pachlangia
Partner
Membership No.: 120593
UDIN: 23120593BGWJMN1876



Place: Mumbai
Date: May 17, 2023

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SMARTLINK HOLDINGS LIMITED

Consolidated Balance Sheet as at March 31, 2023

(Amount: INR lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Financial Assets			
Cash and cash equivalents	5	40.91	59.14
Bank balance other than cash and cash equivalents	6	1,361.62	2,065.37
Receivables			
(i) Trade receivables	7	4,032.24	1,712.84
(ii) Other receivables	7	8.27	2.96
Investments	13	12,280.62	10,972.54
Other financial assets	8	314.02	173.58
Non-financial Assets			
Current tax assets (Net)	9	176.28	80.80
Deferred tax assets (Net)	36	267.03	327.21
Investment property	10	1,106.11	1,279.88
Property, plant and equipment	11	2,203.49	1,857.09
Capital work-in-progress		-	215.70
Other intangible assets	12	-	3.71
Inventories	14	3,330.91	1,433.21
Other non-financial assets	15	1,041.36	703.60
Total Assets		26,162.86	20,887.63
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Trade payables	16		
(i) total outstanding dues of micro enterprises and small enterprises		124.66	8.66
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		3,581.33	1,229.84
Borrowings (Other than Debt Securities)	17	3,366.66	2,527.89
Other financial liabilities	18	400.97	455.65
Non-Financial Liabilities			
Provisions	19	144.25	97.86
Other non-financial liabilities	20	194.69	72.47
EQUITY			
Equity share capital	21	199.50	199.50
Other equity	22	18,150.80	16,300.57
Non-controlling interest	23	-	(4.81)
Total Liabilities and Equity		26,162.86	20,887.63
See accompanying notes to the consolidated financial statements	1-68		
The accompanying notes are an integral part of the financial statements			

As per my report of even date

For Shridhar & Associates

Chartered Accountants

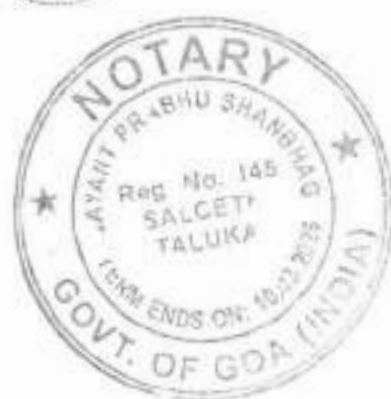
ICAI Firm Registration No.: 134427W

Abhishek Pachhangia

Abhishek Pachhangia

Partner

Membership No. 126593



Place: Mumbai

Date: May 17, 2023

For and on behalf of the Board of Directors of

Smartlink Holdings Limited

CIN : L67100GA1993PLC001341

K.R. Nalk

K.R. Nalk

Executive Chairman

DIN: 00002013

K.G. Prabhu

K.G. Prabhu

Chief Financial Officer

Place: Mumbai

Date: May 17, 2023

Arati Nalk

Arati Nalk

Executive Director

DIN: 06965985

Urjita Damle

Urjita Damle

Company Secretary

ICSI Membership No. 24654



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SMARTLINK HOLDINGS LIMITED

Consolidated Statement of Profit and loss for the year ended March 31, 2023

(Amount in INR lakhs, unless otherwise stated)

Particulars	Note No.	For the Year ended March 31, 2023	For the year ended March 31, 2022
Revenue from operations			
Interest income	24	444.70	499.20
Rental income		69.32	37.73
Net gain on fair value changes	25	317.70	362.40
Revenue from contracts with customer	26	15,473.38	7,070.77
Total Revenue from operations		16,305.26	7,950.10
Other income	27	128.60	92.96
Total Income		16,433.86	8,043.14
Expenses			
Finance costs	28	171.91	70.86
Impairment of financial instruments	29	0.26	4.70
Purchase of stock-in-trade	30	7,899.88	2,439.35
Cost of raw material consumed	31	3,814.83	2,604.48
Change in inventories of finished goods, work-in-progress and stock-in-trade	32	(1,426.68)	(384.29)
Employee benefits expenses	33	1,653.07	1,384.74
Depreciation and amortisation expense	34	298.60	239.46
Other expenses	35	1,038.85	949.23
Total Expenses		16,250.72	7,304.61
Profit / (Loss) before exceptional items and tax		183.22	738.53
Exceptional items (refer note 10 (c))		2,091.57	-
Profit / (Loss) before tax		2,274.79	738.53
Less: Tax Expense			
- Current Tax		334.89	108.42
- Deferred Tax		65.68	(408.39)
- Tax Adjustments of earlier year		(49.72)	6.90
Total Tax Expense	36(D)	350.85	(293.07)
Profit / (Loss) for the year		1,923.94	1,031.60
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
Re-measurement gains / (loss) on defined benefit plan		(34.86)	(14.39)
- Income tax relating to above		5.49	0.71
Other Comprehensive Income (A)		(29.37)	(13.68)
Total Comprehensive Income for the year		1,894.57	1,017.92
Profit / (Loss) for the year attributable to Equity holders of the parent		1,923.94	1,038.74
Non-controlling interest		-	(7.14)
Other comprehensive income for the period attributable to Equity holders of the parent		(29.37)	(14.03)
Non-controlling interest		-	0.35
Total comprehensive income for the year, net of tax, attributable to Equity holders of the parent		1,894.57	1,024.71
Non-controlling interest		-	(6.79)
Basic and diluted Earnings per share (Nominal value per share Rs 2)	38	19.29	9.50
See accompanying notes to the consolidated financial statements			
The accompanying notes are an integral part of the financial statements			

As per my report of even date

For Shridhar & Associates

Chartered Accountants

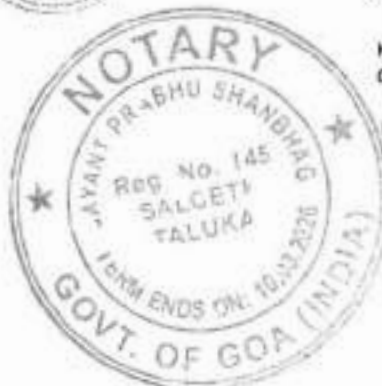
ICAI Firm Registration No.: 134427W

Abhishek Pachangia

Abhishek Pachangia

Partner

Membership No. 120593



Place: Mumbai

Date: May 17, 2023

For and on behalf of the Board of Directors of

Smartlink Holdings Limited

CIN : L67100GA1993PLC001341

K.R. Nalk

K.R. Nalk

Executive Chairman

DIN: 00000193

Urjit Damie

Urjit Damie

Chief Financial Officer

Company Secretary

ICSI Membership No. 24654

Place: Mumbai

Date: May 17, 2023

Urjit Damie

Urjit Damie

Executive Director

DIN: 06965985

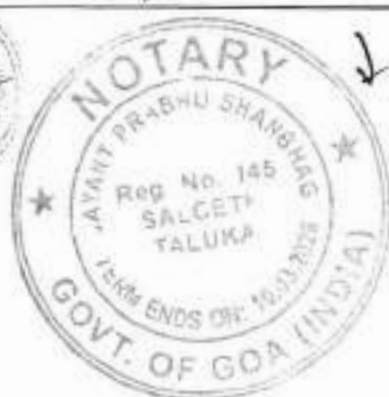


SMARTLINK HOLDINGS LIMITED

Consolidated Statement Of Cash flows for the year ended March 31, 2023

(Amount in INR lakhs, unless otherwise stated)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Cash flow from operating activities		
Net profit before tax	2,274.79	738.53
Adjustments for:		
Depreciation and amortisation expense	298.60	239.46
Profit on Property, plant and equipment sold / written off (net)	(2,143.28)	(0.64)
Provision for diminution in value of non current investments	0.26	4.78
EIR impact of security deposits and rent amortization	(1.32)	(0.80)
EIR impact of Interest Income on bonds	6.94	6.84
Interest on Income tax refund	(2.79)	(0.36)
Bad Debts written off	0.22	1.32
Provision for doubtful debts made/ (written back)	5.82	4.96
Net gain on fair value changes	(317.78)	(342.48)
Unrealised Foreign exchange difference (net)	(13.14)	(23.38)
Sundry balances written off / (back) (net)	4.53	1.20
Finance costs	171.91	70.86
Gain on derecognition of Right to use assets	(2.72)	-
Provision for warranty (net)	9.30	4.24
Statutory provision no longer required written back	-	(8.70)
Operating profit / (loss) before working capital changes	291.34	695.83
Changes in working capital		
(Increase) / Decrease in Investments	(995.22)	5,866.72
(Increase) / Decrease in Fixed deposits with Banks	591.63	(762.43)
(Increase) / Decrease in Inventories	(1,897.70)	(743.40)
(Increase) / Decrease in Trade and other receivables	(2,329.23)	(832.11)
(Increase) / Decrease in Other financial assets	(27.00)	(435.61)
(Increase) / Decrease in Other non-financial assets	(337.75)	(131.77)
Increase / (Decrease) in Trade payables	2,474.59	464.97
Increase / (Decrease) in Other financial liabilities	(103.25)	169.16
Increase / (Decrease) in Other non-financial liabilities	112.90	31.83
Increase / (Decrease) in provisions	11.55	16.42
Cash generated from / (used in) operations	(2,208.14)	4,339.61
Income tax paid	(377.86)	(143.00)
Net cash flows from / (used in) operating activities (A)	(2,586.00)	4,196.61
Cash flow from Investing activities		
Purchase of property, plant and equipment and investment property	(412.09)	(424.06)
Proceeds from Sale of property, plant and equipment and intangible assets	2,507.37	0.68
Net cash flow from / (used in) Investing activities (B)	2,095.28	(423.38)
Cash flow from Financing activities		
Buyback of Parent Company's equity shares	-	(3,158.75)
Tax on Buyback of Parent Company's equity shares	-	(704.57)
Proceeds from / (Repayment of) borrowings	681.92	237.31
Interest payments	(146.47)	(100.14)
Cash Payment for the principal portion of lease payments	(62.94)	(42.26)
Net cash flows from / (used in) financing activities (C)	472.51	(3,768.41)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(18.21)	4.82
Cash and cash equivalents at the beginning of the year	59.14	54.31
Effect of exchange differences on restatement of foreign currency Cash and bank balance	(0.02)	0.01
Cash and cash equivalents at the end of the year	40.91	59.14



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SMARTLINK HOLDINGS LIMITED

Consolidated Statement Of Cash flows for the year ended March 31, 2023

(Amount in INR lakhs, unless otherwise stated)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Cash and cash equivalents comprise		
Balances with banks		
On current accounts	38.13	55.84
Cash on hand	2.78	3.30
Total cash and cash equivalents at end of the year	40.91	59.14

(I) The above Consolidated Statement of Cash flow has been prepared under the indirect method as set out in Ind AS 7 "Statement of Cash Flows".

(II) Non Cash Movement In Financing Activity

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Borrowings (including current maturities of long term Debt)	-	(45.16)
Lease Liabilities	219.79	15.87

See accompanying notes to the consolidated financial statements 1-68

The accompanying notes are an integral part of the financial statements

As per my report of even date

For Shri Idhar & Associates

Chartered Accountants

ICAI Firm Registration No.: 134427W

Abhishhek Pachlangla

Abhishhek Pachlangla

Partner

Membership No. 120593



For and on behalf of the Board of Directors of

Smartlink Holdings Limited

CIN : L67100GA1993PLC001341

K.R. Nalk

K.R. Nalk

Executive Chairman

DIN: 00002013

K.G. Prashu

K.G. Prashu

Chief Financial Officer/Company Secretary

ICSI Membership No. 24654

Arati Nalk

Arati Nalk

Executive Director

DIN: 06965985

Urjita Damle

Urjita Damle



Place: Mumbai

Date: May 17, 2023

Place: Mumbai

Date: May 17, 2023





SMARTLINK HOLDINGS LIMITED

Consolidated Statement of Changes in Equity for the year ended March 31, 2023

(Amount in INR lakhs, unless otherwise stated)

Equity Share Capital

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	Amount	No. of shares	Amount
Opening	99,75,000	199.50	1,33,00,000	266.00
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	(33,25,000)	(66.50)
Closing	99,75,000	199.50	99,75,000	199.50

Other Equity

Particulars	Capital Contribution	Reserves and Surplus				FVTOCI Reserve on defined benefit plans	FVTOCI Reserve on Financial Instruments	Equity attributable to shareholders of the Company	Non Controlling Interest
		Statutory Reserve	Capital Redemption Reserve	General Reserve	Surplus in statement of profit and loss account				
Balance at April 01, 2021	92.95	320.43	334.10	5,567.20	12,765.00	(9.27)	2.27	19,072.68	1.98
Profit for the year	-	-	-	-	1,038.39	-	-	1,038.39	(7.14)
Other comprehensive income / (loss)	-	-	-	-	-	(13.68)	-	(13.68)	0.35
Total Comprehensive Income for the year	-	-	-	-	1,038.39	(13.68)	-	1,024.71	(6.79)
Buyback of equity shares	-	-	-	-	-	-	-	-	-
Expenses for buyback of equity shares	-	-	66.50	-	(3,158.75)	-	-	(3,092.25)	-
Transfer to Statutory Reserve	-	579.07	-	-	(704.57)	-	-	(704.57)	-
Balance at March 31, 2022	92.95	899.50	400.60	5,567.20	9,361.00	(22.95)	2.27	16,300.57	(4.81)

Particulars	Capital Contribution	Reserves and Surplus				FVTOCI Reserve on defined benefit plans	FVTOCI Reserve on Financial Instruments	Equity attributable to shareholders of the Company	Non Controlling Interest
		Statutory Reserve	Capital Redemption Reserve	General Reserve	Surplus in statement of profit and loss account				
Balance at April 01, 2022	92.95	899.50	400.60	5,567.20	9,361.00	(22.95)	2.27	16,300.57	(4.81)
Profit for the year	-	-	-	-	1,923.94	-	-	1,923.94	-
Other comprehensive income / (loss)	-	-	-	-	-	(29.37)	(2.27)	(31.64)	-
Total Comprehensive Income for the year	-	-	-	-	1,923.94	(29.37)	(2.27)	1,892.30	-
Adjustment on Amalgamation	-	-	-	-	(42.07)	-	-	(42.07)	4.81
Transfer to Statutory Reserve	-	354.82	-	-	(354.82)	-	-	-	-
Balance at March 31, 2023	92.95	1,254.32	400.60	5,567.20	10,888.05	(52.32)	-	18,150.80	-



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in ₹, unless otherwise stated)

1 Corporate Information

Smartlink Holdings Limited (formerly known as Smartlink Network Systems Limited) ("Company" or "Parent" or "Parent Company"), incorporated in Goa is a Non-Banking Financial Institution (NBFI) (non-deposit taking) as defined under Reserve Bank of India Act, 1934. The Company's registered office is situated at Verna Industrial Estate, Goa, India.

The Consolidated Financial Statement of Smartlink Holdings Limited comprise of the financial statements of the Parent Company and its subsidiaries Digisol Systems Limited and Synegra EMS Limited, together referred to as the 'Group'.

The parent Company operates as an Investment Company and earns majority from investing activity.

Digisol Systems Limited is in the business of developing, manufacturing, marketing, distributing and servicing of various categories of Networking and Information Technology (IT) Products.

Synegra EMS Limited is in the business of manufacture of various categories of electronic and IT products on job work basis and also engages in contract manufacturing for Original Equipment Manufacturers.

Telesmart3CS Limited is in the business of manufacture of various category of electronic and IT products. During the year the company has merged with Digisol Systems Limited (refer note 37(B)).

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2023 and authorised for issue on May 17, 2023.

2 Significant accounting policies

Significant accounting policies adopted by the Group are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Company (Indian Accounting Standard) Amendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value.

The financial statements are presented in Indian Rupees (INR) in lakhs, which is also the functional currency of the company and all amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs, except when otherwise indicated.

(b) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

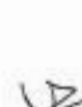
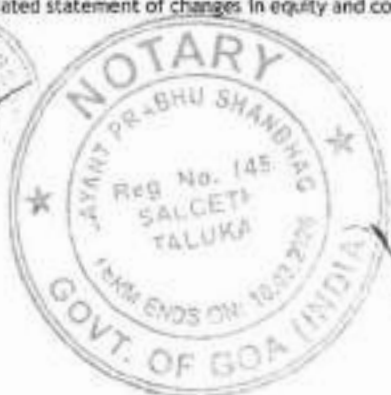
2.2 Principles of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.



SMARTLINK HOLDINGS LIMITED

Notes form part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in ₹, unless otherwise stated)

Business combinations

Acquisition of subsidiaries and businesses are accounted for using the purchase method. The consideration transferred in each business combination is measured at the aggregate of the acquisition date, fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree.

Acquisition related costs are recognised in the consolidated statement of profit and loss.

Goodwill arising on acquisition is recognised as an asset and measured at cost, being the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, after re-assessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve on consolidation.

Once control has been achieved, any subsequent acquisitions where the Group does not originally hold a hundred percent interest in a subsidiary are treated as an acquisition of shares from non-controlling shareholders. The identifiable net assets are not subject to further fair value adjustments and the difference between the cost of acquisition of the noncontrolling interest and the net book value of the additional proportion acquired is adjusted in equity. The amount of non-controlling interests in the acquiree is measured either at the non-controlling interests proportion of the net fair value of the assets, liabilities and contingent liabilities recognised or at fair value.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

When a transaction or other event does not meet the definition of a business combination due to the asset or group of assets not

- identifies and recognises the individual identifiable assets acquired
 - allocates the cost of the group of assets and liabilities to the individual identifiable assets and liabilities on the basis of their
- Such a transaction or event does not give rise to goodwill or a gain on a bargain purchase.

2.3 Property, plant and equipment

Property, plant and equipment, are stated at historical cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost of property, plant and equipment comprises its purchase price net of any discounts and rebates, any import duties and other taxes (other than those subsequently recovered from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any, and interest on borrowings attributable to it up to the date it is ready for its intended use. Cost of property, plant and equipment that are not yet ready for their intended use at the balance sheet date are shown under capital work-in-progress.

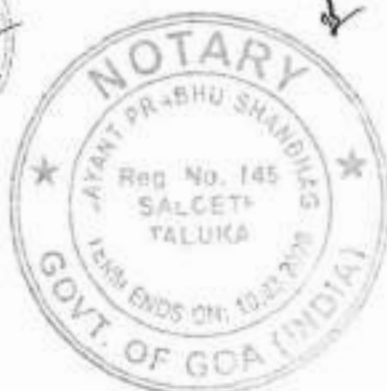
Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance costs are charged to Statement of Profit and Loss during the year in which they are incurred.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Depreciation methods, estimated useful lives

The Group depreciates Property, Plant and Equipments using the straight line method over their estimated useful lives as under :

Property, plant and equipment	Useful Lives (in years)
Plant and Equipments	8
Furniture and Fixtures	8
Motor Vehicle	5
Office Equipment	5
Electrical Installations	10
Air Conditioners	10
Computers	3



SMARTLINK HOLDINGS LIMITED

Notes form part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR, unless otherwise stated)

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of certain categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use.

Depreciation on derecognition of an asset from property plant and equipment is provided up to the date preceding the date of derecognition.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.4 Investment properties

Property that is held for long - term rental yield or for capital appreciation or both, and that is not used in the production of goods and services or for administrative purposes is classified as investment property.

Investment properties are measured initially at cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Investment properties include properties leased out and measured under Ind AS 116 as right of use assets.

2.5 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation of intangible asset is included in Depreciation and amortisation expense in statement of Profit & Loss account.

The Group amortized intangible assets using the straight line method over their estimated useful lives as under :

Intangible assets	Useful life (In years)
Computer Software (ERP)	3
Computer Software (other software)	4
Technical know-how	3

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.6 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the Group's functional and presentation currency.



SMARTLINK HOLDINGS LIMITED

Notes form part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in ₹, unless otherwise stated)

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.7 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Group.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Group's management determines the policies and procedures for fair value measurement.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- level 2 – Inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- level 3 – Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

2.8 Revenue Recognition

(a) Interest Income

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

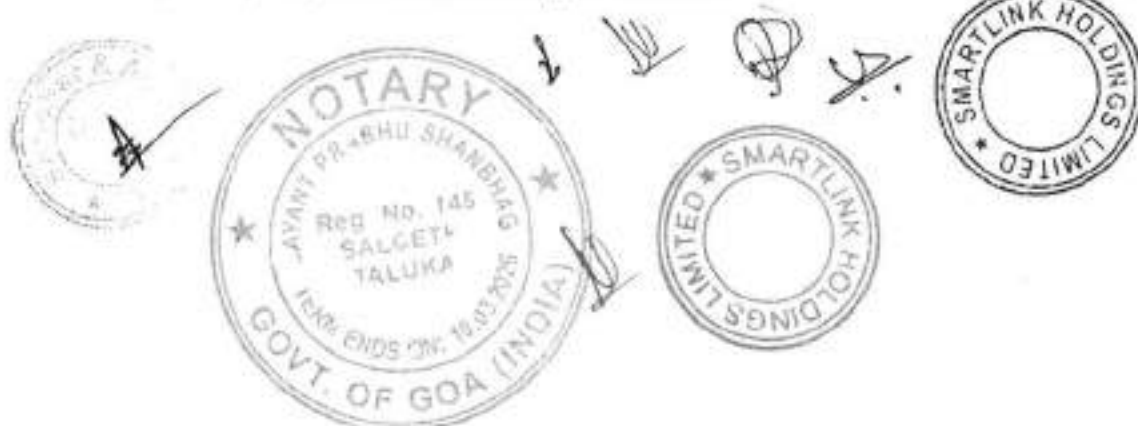
If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the statement of profit and loss.

(b) Revenue from lease rentals

Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

(c) Dividend Income

Dividend income (including from FVOCI investments) is recognised when the Group's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.



SMARTLINK HOLDINGS LIMITED

Notes form part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in ₹, unless otherwise stated)

(d) Trading Income

Trading income includes all gains and losses from changes in fair value and the related interest income or expense and dividends, for financial assets and financial liabilities held for trading.

(e) Revenue from contract with customers

Revenue from contract with customers is recognised upon satisfaction of the performance obligation by transferring promised goods and rendering of services to the customer. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of discounts, allowances, returns, goods and services tax/value added taxes/sales tax and amounts collected on behalf of third party.

2.9 Accounting for Government Grants

Government grants in terms of incentives are recognized only when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

The Government grant in the form of incentives are recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate and the achievement of the performance criteria for being eligible for receipt of the grant. The grants are presented under 'Other Operating Income' in the Statement of Profit and Loss.

2.10 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised on temporary differences, being differences between the carrying amount of assets and liabilities and corresponding tax bases used in the computation of taxable profit. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences, except:

(i) Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which these deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off.

Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.



SMARTLINK HOLDINGS LIMITED

Notes form part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in ₹, unless otherwise stated)

2.11 Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

The Group recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease. When the Group is an intermediate lessor it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, the Group applies Ind AS 115 Revenue to allocate the consideration in the contract.

Ind AS 116 requires inclusion of variable lease payments based on index or a rate.

Variable lease payments based on an index or a rate: Variable lease payments based on an index or a rate (for example, linked to a consumer price index, a benchmark interest rate or a market rental rate) are part of the lease liability. From the perspective of the lessee, these payments are unavoidable, because any uncertainty relates only to the measurement of the liability but not to its existence. Variable lease payments based on an index or a rate are initially measured using the index or the rate at the commencement date (instead of forward rates/indices). This means that an entity does not forecast future changes of the index/rate; these changes are taken into account at the point in time in which lease payments change.

However, based on management's estimates that lease payment increases 10% after a period of a period of three years. Therefore, based on management judgement, estimates and conservative approach it is estimated, lease liability has been calculated based on these estimated cash flows.



SMARTLINK HOLDINGS LIMITED

Notes form part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in ₹, unless otherwise stated)

Operating leases

As lessee:

On transition, the Group has elected not to apply the requirements of Ind AS 116 to leases which are expiring within 12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Group has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application, relied on its assessment of whether leases are onerous, applying AS 29 immediately before the date of initial application as an alternative to performing an impairment review, excluded initial direct costs from measuring the right of use asset at the date of initial application and used hindsight when determining the lease term if the contract contains options to extend or terminate the lease. The Group has used a single discount rate to a portfolio of leases with similar characteristics.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-to-use asset, and finance cost for interest accrued on lease liability.

As lessor:

The Group is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub-lease. The Group accounted for its leases in accordance with Ind AS 116 from the date of initial application. The Group does not have any significant impact on account of sub-lease on the application of this standard.

2.12 Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the fair value less cost to sell and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate pre-tax discount rate to determine whether there is any indication that those assets have suffered any impairment loss. When there is an indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.13 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material, provision is carried at the present value of the cash flows required to settle the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

2.14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalents include cash on hand, cash in bank and short-term deposits net of bank overdraft.



SMARTLINK HOLDINGS LIMITED

Notes form part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in ₹10, unless otherwise stated)

2.15 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Investments and financial assets

(I) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(II) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

- a) at amortized cost; or
- b) at fair value through other comprehensive income; or
- c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in interest income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in interest income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in interest income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(III) Impairment of financial assets

In accordance with Ind AS 109, Financial Instruments, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets.

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.



Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ED is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over its expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

(iv) Derecognition of financial assets.

A financial asset is derecognized only when

- a) the rights to receive cash flows from the financial asset is transferred or
- b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(c) Financial liabilities

- (i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(iii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.



(d) **Financial Guarantee Contracts**

Financial guarantees are initially recognised in the financial statements (within 'other liabilities') at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

An increase in the liability relating to financial guarantees is recorded in the statement of profit and loss in credit loss expense. The premium received is recognised in the statement of profit and loss in net fees and commission income on a straight line basis over the life of the guarantee.

(e) **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.16 Inventories

Inventories are valued at the lower of cost (on weighted average basis) and net realisable value.

Cost of inventories comprises of cost of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

The net realizable value of work in progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed the net realizable value.

2.17 Employee Benefits

(a) **Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) **Long-term employee benefit obligations**

(i) **Defined contribution plan**

Provident Fund: The Group's contributions to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan, are charged to the Statement of Profit and Loss in the period of accrual. The Group has no obligation, other than the contribution payable to the provident fund.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution plan as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) **Defined benefit plans**

Gratuity:

The Group provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

Remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the balance sheet with a charge/credit recognised in Other Comprehensive Income ('OCI') in the period in which they occur.

Remeasurements recognised in OCI is reflected immediately in Surplus in statement of profit and loss account and is not reclassified to profit or loss in subsequent periods.



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Notes form part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in ₹, unless otherwise stated)

(c) Other Long Term Employee Benefits:

Group's liabilities towards compensated absences to employees which are expected to be availed or encashed beyond 12 months from the end of the year are accrued on the basis of valuations, as at the Balance sheet date, carried out by an independent actuary using Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the statement of profit and loss.

2.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Group's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereon for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.19 Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

- a) Borrowing costs directly attributable to the acquisition or construction of assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets.
- b) Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

2.20 Dividend on ordinary shares

The Group recognises a liability when the distribution is authorised by the shareholders. A corresponding amount is recognised directly in equity.

2.21 Segment Reporting

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker.

The group has two business segments:

- (i) Investment : Earning income through dividends, interest, rentals and gains on investment in securities and property.
- (ii) Networking : Developing, manufacturing, marketing, distributing and servicing of networking products.

2.22 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

3 Significant accounting judgments, estimates and assumptions

In the preparation of the financial statements, the Group makes judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2023 are as below :



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SMARTLINK HOLDINGS LIMITED

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(Amount in ₹, unless otherwise stated)

- (a) **Useful life of Property, plant and equipment, Investment Property and Intangible assets and its expected residual value**
Property, plant and equipment, Investment Property and other intangible assets represent a significant proportion of the assets of the Group. Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.
- (b) **Fair value measurements and valuation processes**
The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility for further details about determination of fair value.
- (c) **Actuarial Valuation**
The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. Information about such valuation is provided in notes to the financial statements.
- (d) **Impairment of non-financial assets**
In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.
- (e) **Effective Interest Rate (EIR) method**
The Group's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the financial instruments. This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.
- (f) **Impairment of financial asset**
The Group recognizes loss allowances for Expected Credit Losses (ECL) on its financial assets measured at amortized cost and Fair Value through Other Comprehensive Income (FVOCI) except investment in equity instruments. At each reporting date, the Group assesses whether the above financial assets are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.
- 4 Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as Issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:
- (i) Ind AS 1 - Disclosure of material accounting policies:
The amendments related to shifting of disclosure of erstwhile "significant accounting policies" to "material accounting policies" in the notes to the financial statements requiring companies to reframe their accounting policies to make them more "entity specific. This amendment aligns with the "material" concept already required under International Financial Reporting Standards (IFRS). The Company does not expect this amendment to have any significant impact in its financial statements.



SMARTLINK HOLDINGS LIMITED

Notes form part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in ₹, unless otherwise stated)

(c) Ind AS 8 - Definition of accounting estimates:

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates." Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

(d) Ind AS 12 - Income Taxes

The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12. At the date of transition to Ind ASs, a first-time adopter shall recognize a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with:

a) right-of-use assets and lease liabilities

b) decommissioning, restoration and similar liabilities and the corresponding amounts recognized as part of the cost of the related asset.

Therefore, if a company has not yet recognised deferred tax on right-of-use assets and lease liabilities or has recognised deferred tax on net basis, the same need to recognize on gross basis based on the carrying amount of right-of-use assets and lease liabilities.

(iv) Ind AS 103 - Common control Business Combination

The amendments modify the disclosure requirement for business combination under common control in the first financial statement following the business combination. It requires to disclose the date on which the transferee obtains control of the transferor is required to be disclosed.



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

5 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
Cash on hand	2.78	3.30
Balances with banks		
On current accounts	38.13	55.84
Total	40.91	59.14

6 Bank balances other than cash and cash equivalent

Particulars	As at March 31, 2023	As at March 31, 2022
In Fixed deposit with maturity for more than 12 months*	1,323.66	2,011.38
Accrued interest on deposit	36.12	49.85
Unpaid dividend accounts	1.84	4.14
Total	1,361.62	2,065.37

- * Includes INR 72.45 lakhs (March 31, 2022 INR 72.45 lakhs) held as margin money against bank guarantee.
2. Includes INR NIL (March 31, 2022 INR 940.00 lakhs) held against corporate guarantee to bank for credit facilities
3. Includes INR 660.00 lakhs (March 31, 2022 INR Rs. 967.12 lakhs) fixed deposits under lien with the banks as margin money against credit facility availed.
4. Includes INR 55.00 lakhs (March 31, 2022 INR NIL) fixed deposits under lien with the Small Industrial Development Bank Of India as a margin money against term loan availed.

7 Receivables

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Receivables		
Receivables considered good - Secured		
Receivables considered good - Unsecured	4,032.24	1,712.84
Receivables considered doubtful - Unsecured	29.01	23.19
Less : Provision for doubtful debts	(29.01)	(23.19)
	4,032.24	1,712.84
Others Receivables		
Considered good - Unsecured - From Others	8.27	2.96
Total	4,040.51	1,715.80

There are no dues from director or other officer of the company or any firm or private company in which any director is a partner, a director or a member.

The net carrying value of trade receivables is considered a reasonable approximation of fair value.



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

Ageing of Trade Receivables

Particulars	As at March 31, 2023	As at March 31, 2022
(I) Undisputed Trade receivables - considered good		
Unbilled Dues	-	-
Not Due	3,765.03	1,548.98
Less than 6 months	283.94	174.66
6 months - 1 year	0.35	5.01
1-2 years	1.62	0.36
2-3 years	-	-
More than 3 years	-	0.46
Total	4,050.94	1,729.46
(II) Undisputed Trade Receivables -which have significant increase in credit risk	-	-
(III) Undisputed Trade Receivables - credit impaired	-	-
(IV) Disputed Trade Receivables-considered good		
6 months - 1 year	10.43	-
More than 3 years	8.15	9.53
Total	18.58	9.53
(V) Disputed Trade Receivables - which have significant increase in credit risk		
(VI) Disputed Trade Receivables - credit impaired		
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	(29.01)	(23.19)
Total	4,040.51	1,715.80

8 Other financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits (gross)	28.13	37.23
Less: Provision for impairment loss	-	(7.99)
Security Deposits (net)	28.13	29.24
Advance to employees	5.89	8.57
Production Linked Incentive Receivable	280.00	135.77
Total	314.02	173.58

9 Current tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance payment of taxes and tax deducted at source (net of provisions for taxation of Rs. 1,051.50 lakhs (March 31, 2022: Rs. 1966.33 lakhs)	176.28	80.80
Total	176.28	80.80



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

10 Investment property

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amount			Amount		
	Land	Building	Total	Land	Building	Total
Gross Block						
Opening balance of gross carrying amount	856.72	545.80	1,402.52	708.34	492.22	1,200.56
Additions	-	-	-	148.38	53.58	201.96
Disposals (refer note (c))	148.38	-	148.38	-	-	-
Other adjustments	-	-	-	-	-	-
Closing balance of gross carrying amount	708.34	545.80	1,254.14	856.72	545.80	1,402.52
Accumulated amortization and impairment, if any						
Opening accumulated depreciation	31.03	91.61	122.64	22.19	65.25	87.44
Charge for the year	8.84	16.55	25.39	8.84	16.56	25.40
Deduction/ other adjustments	-	-	-	-	(9.80)	(9.80)
Closing accumulated depreciation	39.87	108.16	148.03	31.03	91.61	122.64
Net Block	668.47	437.64	1,106.11	825.69	454.19	1,279.88

Note:

- (a) Asset given on operating lease - gross value - on March 31, 2023: INR 1,254.14 lakhs (March 31, 2022: INR 1,402.52 lakhs), - written down value on March 31, 2023: INR 1,106.11 lakhs (March 31, 2022: INR 1,279.88 lakhs)
- (b) INR 39.33 lakhs (March 31, 2022: INR 17.72 lakhs) has been recognised as rental income from the Investment Properties given on operating lease, in the Statement of Profit and Loss.
- (c) The Board of Directors of the Parent Company at their meeting held on August 04, 2022 had approved the Memorandum of Understanding ("MOU") for sale of land admeasuring 643.9 Sq. Mts. situated at Off C.S.T. Road, Santacruz (E), Mumbai 400098 for a consideration of Rs. 2,475.00 lakhs. The Company has completed the sale on execution of the sale deed. Consequently, the profit on the sale of Rs. 2,091.57 lakhs has been recognised and disclosed as exceptional item.



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11 Property, plant and equipment

Particulars	Gross Block			Depreciation			Net Block	
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 01, 2022
Land-Freehold	87.91	-	-	87.91	-	-	87.91	-
Buildings-Own Use	1,789.82	-	-	1,789.82	47.10	-	947.45	889.47
Plant and equipment	2,197.70	256.17	476.23	1,977.64	136.22	476.23	904.76	784.61
Furniture and fixture	297.88	15.74	-	313.62	1.28	-	17.08	2.62
Vehicles	28.02	111.56	7.31	132.27	14.66	7.31	102.89	5.99
Office equipment	145.01	1.13	-	146.34	1.36	-	3.36	3.39
Electrical Installations	416.55	11.46	-	428.21	1.89	-	17.06	7.29
Air conditioners	358.36	15.42	-	373.78	3.46	-	27.63	15.67
Computers	281.51	-	-	281.51	15.22	-	20.26	35.48
Right of use assets (refer note 43)	180.02	227.80	83.82	324.00	48.31	59.34	268.08	112.57
Total	5,762.78	619.88	567.36	5,855.30	269.50	543.38	2,203.49	1,857.09

Particulars	Gross Block			Depreciation			Net Block	
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 01, 2021
Land-Freehold	236.29	-	148.38	87.91	-	-	87.91	148.38
Buildings-Own Use	1,843.40	-	53.58	1,789.82	47.10	9.80	900.35	980.35
Plant and equipment	1,821.82	375.88	-	2,197.70	98.09	-	1,413.09	506.82
Furniture and fixture	298.93	0.24	1.29	297.88	0.90	1.29	295.26	3.28
Vehicles	28.02	-	-	28.02	4.36	-	22.03	10.35
Office equipment	143.41	1.60	-	145.01	1.15	-	141.62	2.94
Electrical Installations	416.55	-	-	416.55	1.39	-	409.26	8.68
Air conditioners	357.49	0.87	-	358.36	5.32	-	342.69	20.12
Computers	236.52	45.46	0.47	281.51	12.96	0.43	246.03	3.02
Right of use assets (refer note 43)	180.02	-	-	180.02	29.46	-	112.57	142.03
Total	5,562.45	424.05	203.72	5,782.78	200.73	11.52	3,925.69	1,825.97

Note:

(a) All title deeds of immovable properties are held in the name of company.

(b) The group has not revalued any of its property, plant and equipments during the years ended March 31, 2023 and March 31, 2022.



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

12 Intangible assets

Particulars	Gross Block			Amortisation			Net Block	
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions/ Adjustments	As at March 31, 2023	As at April 01, 2022
Computer Software-Acquired	176.34	-	-	176.34	176.18	0.16	-	0.16
Technical know-how	37.75	-	-	37.75	34.20	3.55	-	3.55
Total	214.09	-	-	214.09	210.38	3.71	-	3.71

Particulars	Gross Block			Amortisation			Net Block	
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 01, 2021	Additions/ Adjustments	As at March 31, 2022	As at April 01, 2021
Computer Software-Acquired	176.34	-	-	176.34	170.40	5.78	0.16	5.94
Technical know-how	37.75	-	-	37.75	26.65	7.55	3.55	11.10
Total	214.09	-	-	214.09	197.05	13.33	3.71	17.04

Note:

(a) The group has not revalued any of its intangible assets during the years ended March 31, 2023 and March 31, 2022.



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

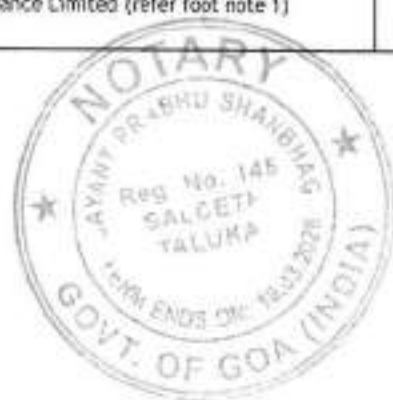
(Amount in INR lakhs, unless otherwise stated)

13. Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investments measured at amortised cost		
Debt securities	4,551.90	5,006.62
Fixed Deposits	1,537.31	-
Investments measured at Fair Value through Profit or Loss		
Mutual funds	6,191.41	5,915.92
Investments measured at Fair Value through Other Comprehensive Income		
Debt securities	-	49.30
Total - Gross (A)	12,280.62	11,021.84
Less: Allowance for impairment loss (B)	-	(49.30)
Total - Net (A)-(B)	12,280.62	10,972.54
Investments outside India	-	-
Investments in India	12,280.62	10,972.54

Details of Investments

Particulars	Face Value	Nos		Amount	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
1 Investments measured at Amortised Cost					
Investments in bonds (Quoted) (refer note 2):					
Cholamandalam Perp NCD Series PDI 10 12.90%	5,00,000	-	40	-	241.65
Tata Power Company Limited 2072 - NCD 10.75%	10,00,000	-	55	-	590.01
Canara Bank BD Perpetual - 9.55%	10,00,000	10	10	100.58	100.59
Cholamandalam Investment and Finance Company Limited - NCD 8.80%	10,00,000	30	30	320.90	320.90
Mahindra Rural housing Finance Ltd 2017 - NCD 8.50%	10,00,000	30	30	320.94	320.94
HDFC Bank Limited Perpetual - BD 8.85%	10,00,000	-	28	-	302.57
Tata Motors Finance Limited Perpetual NCD -11.10%	10,00,000	30	30	342.74	343.01
Bajaj Finance Ltd 2027 - NCD 8.15%	10,00,000	5	5	50.63	50.63
Tata Capital Financial Services Limited 2022 - NCD 8.45%	1,000	-	20,000	-	210.01
L&T Infrastructure Finance Company Limited -NCD 7.65%	25,00,000	-	12	-	312.94
L&T Infrastructure Finance Company Limited - NCD 8.81%	25,00,000	-	5	-	134.60
UP Power Corporation Limited - NCD 10.15%	10,00,000	10	10	102.29	102.68
North Eastern Electric Power Corporation Limited - NCD 7.68%	10,00,000	20	20	206.13	206.34
ICICI Bank DOB tier -II 0.00%	1,00,000	-	365	-	348.54
Tata Sons Ltd NCD - 9.54%	10,00,000	-	15	-	163.53
MBM Financial Services Ltd 2031 - 7.35%	10,00,000	20	20	210.83	210.83
State Bank of India Unsecured Rated Listed Additional Tier I Non Convertible Bond - 7.72%	1,00,00,000	3	3	314.09	314.30
8.50% Nuthoot Fincorp Limited	10,00,000	-	10	-	100.65
Punjab National Bank Tier II - 8.93%	10,00,000	-	10	-	103.85
Kotak Mahindra Bank Limited Basel III perp - 8.10%	5	40,00,000	40,00,000	201.20	202.68
State Bank of India perp - 100 years - 7.55%	1,00,00,000	2	2	204.50	204.52
L&T Finance Limited Tier II (series-s) - 9.95%	10,00,000	16	16	167.50	170.85
Punjab National Bank (TIER II) Bonds - 9.20%	10,00,000	11	-	117.47	-
L&T Finance Limited NLD	10,00,000	20	-	200.23	-
TATA Capital Financial Services Limited - 7.89%	10,00,000	50	-	529.18	-
L&T Finance Limited - 8.75%	10,00,000	9	-	92.87	-
Mahindra & Mahindra Financial Services LTD - 7.90%	10,00,000	50	-	523.41	-
Bank Of India (Series XI) - 9.80%	10,00,000	8	-	88.49	-
PNB Housing Finance Limited Bonds (Series XVII.B) - 9.48%	10,00,000	25	-	252.66	-
L & T Finance Limited - 8.90%	10,00,000	19	-	205.26	-
				4,551.90	5,056.62
Fixed Deposits (Unquoted)					
Fixed Deposit with Bajaj Finance Limited (refer foot note 1)	15,00,00,000	3	-	1,537.31	-
				1,537.31	-

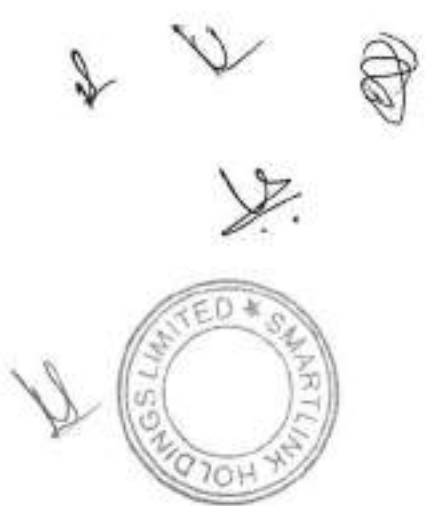


SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

Particulars	Face Value	Nos		Amount	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
2 Investments measured at Fair Value through Profit or Loss					
Mutual funds (Unquoted)					
HOFC Mutual Fund					
HOFC Liquid Fund - Direct Plan - Growth	1,000	-	574.030	-	24.02
HOFC Corporate Bond Fund - Direct Plan - Growth	10	3,90,996.466	3,90,996.466	107.99	103.94
ICICI Mutual Fund					
ICICI Prudential Banking & PSU Debt Fund - Growth	10	20,67,524.707	20,67,524.707	569.54	540.34
ICICI Prudential Corporate Bond Fund - Growth	10	21,17,912.2	24,35,703.391	526.89	576.19
ICICI Prudential Corporate Bond Fund - Direct Plan - Growth	10	4,93,524.038	4,93,524.038	128.45	121.34
ICICI Prudential Short Term Fund - Growth Option	10	40,817.002	1,50,792.088	20.62	119.85
ICICI balance Advantage Fund - Growth	10	78,693.356	51,205.961	45.47	25.37
Kotak Mahindra Mutual Fund					
Kotak Bond Fund Short Term - Growth - Regular Plan	10	15,04,985.518	15,04,985.518	663.94	640.93
Birla Sun Life Mutual Fund					
Birla Sun life floating rate fund -growth -regular plan	10	76,645.066	1,27,134.481	224.53	353.32
Aditya Birla sun life floating rate fund growth direct plan	100	1,75,317.342	-	525.26	-
SBI Mutual fund					
SBI Short Term Debt Fund-Regular Plan-Growth	10	40,77,363.452	40,77,363.452	1,106.21	1,061.98
Franklin Templeton Mutual Fund					
Franklin India Short term Income Plan- Retail Plan- Segregated Portfolio 2 (10.90% Vodafone Idea Ltd 02Sep2023 (P/C 03Sep2021) - Growth Option)	1,000	13,649.982	18,290.977	12.75	-
Invesco Mutual Fund					
Invesco India Ultra Short Term Fund Plan Growth	10	10,022.335	10,022.335	230.95	220.30
Invesco India Short Term Fund - Direct Plan Growth	10	7,725.541	7,725.541	254.42	244.55
HSBC Mutual Fund					
HSBC Corporate Bond Fund - Direct Growth (Formerly L & T Triple Ace Bond Fund - Direct Plan-Growth)	10	2,52,757.312	9,85,570.099	164.44	619.53
HSBC Short Duration Fund - Direct Growth (Formerly L & T Short Term Bond Fund - Direct Plan - Growth)	10	28,97,136.850	28,97,136.850	680.93	655.07
Bandhan Mutual Fund					
Bandhan Banking & PSU Debt Fund - Direct Plan - Growth (Formerly IDFC Banking & PSU Debt Fund - Direct Plan - Growth)	10	19,40,480.415	19,40,480.415	414.35	395.84
Bandhan Bond Fund - Short Term Plan - Growth (Formerly IDFC Bond Fund - Short Term Plan - Growth)	10	-	33,384.349	-	16.36
Bandhan Dynamic bond fund - Growth - regular plan (Formerly IDFC Dynamic Bond fund growth regular)	10	10,77,845.928	-	309.21	-
Edelweiss Mutual Fund					
Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2026 Direct Plan Growth	10	18,37,832.906	18,37,832.906	203.46	197.39
				6,191.41	5,915.92



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

Particulars	Face Value	Nos		Amount	
		As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Preference Shares (Unquoted)					
Infrastructure Leasing and Financial Services Limited - Preference Shares - 16.46%	7,500	-	340	-	49.30
Total - Gross				-	49.30
Less: Allowance for Impairment loss				-	(49.30)
Total - Net				-	-
Total Investments- Gross				12,280.62	11,021.84
Total Impairment				-	(49.30)
Total Investments- Net				12,280.62	10,972.54
Aggregate book value of:					
Quoted Investments				4,551.90	5,036.62
Unquoted Investments				6,950.66	5,256.21
Aggregate market value of:					
Quoted Investments				4,364.52	4,840.31
Unquoted Investments				6,191.41	5,915.92

Footnote:-

1. Fixed deposits are pledged against Loan obtained by Digisol Systems Limited (March 31, 2022 INR NIL).
2. Investment in Bonds includes accrued interest INR 174.68 in the current year and 210.83 lakhs in the previous year.



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

14 Inventories

(Value at the lower of cost or net realizable value)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials and components	790.71	181.11
Raw materials and components in transit	256.85	405.99
Work-in-progress	515.73	0.39
Finished goods	68.04	2.50
Stock in Trade	1,649.56	653.23
Stock in Trade in transit	13.84	164.37
Stores, spares and packing materials	36.18	26.02
Total	3,330.91	1,433.21

- 1) The Cost of raw materials inventories recognised as expense during the year 5,814.83 2,604.48
- 2) Carrying value of inventories hypothecated as security by the subsidiary companies 3,294.73 852.02
- (Also refer note 17)

15 Other non financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Advance to vendor	112.13	142.63
Balance with government authorities	870.10	512.14
Surplus in Gratuity fund (funded) (Refer note 42)	12.50	6.36
Prepaid expenses	46.63	42.47
Total	1,041.36	703.60

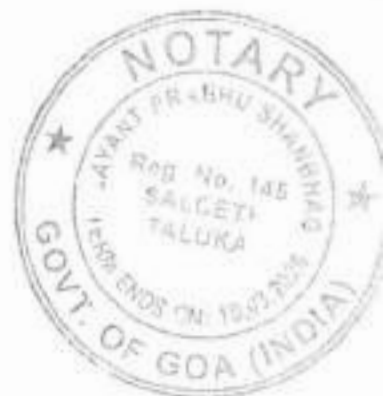
16 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro enterprises and small enterprises (refer foot note below)	124.66	8.66
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,581.33	1,229.84
Total	3,705.99	1,238.50

The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 have been made in respect of such vendors to the extent they could be identified as micro enterprises and small enterprises on the basis of information available with the Company.

Note :

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding principal amount and interest as on 31st March		
- Principal Amount	124.66	8.66
- Interest due thereon	-	0.04
Amount of interest paid along with the amounts of payment made beyond the appointed day	0.70	-
Amount of interest due and payable (where the principal has already been paid but interest has not been paid)	0.23	0.31
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.23	0.68
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible expenditure under section 23 of the said Act		



SMARTLINK HOLDINGS LIMITED
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

Trade Payables ageing schedule

Particulars	As at March 31, 2023	As at March 31, 2022
(i) MSME		
Unbilled Dues	-	-
Payable Not Due	122.73	8.42
Less than 1 year	1.93	0.24
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	124.66	8.66
(ii) Others (Undisputed)		
Unbilled Dues	280.38	161.08
Payable Not Due	1,986.28	726.26
Less than 1 year	1,311.98	337.36
1-2 years	2.69	1.09
2-3 years	-	3.78
More than 3 years	-	0.27
Total	3,581.33	1,229.84



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

17 Borrowings (other than debt securities)

Particulars	As at March 31, 2023	As at March 31, 2022
Borrowings measured at Amortised Cost		
<u>Secured</u>		
Bank Overdraft	205.82	614.33
Term Loan	206.98	-
Loan from Financial Institution	1,350.08	-
<u>Unsecured</u>		
Loans from director	1,263.37	1,730.00
Lease liabilities	340.41	183.56
Total	3,366.66	2,527.89
Borrowings in India	3,366.66	2,527.89
Borrowings outside India	-	-
Total	3,366.66	2,527.89

Terms and conditions:

Secured Loan:

Bank Overdraft of Synegra EMS Limited and that of Digisol Systems Limited is secured by charge ranking pari passu, by way of hypothecation of all existing and future inventory and trade receivables, Corporate Guarantee from Parent Company of INR 4300 lakhs, and lien on Fixed Deposit of Parent Company of INR 660 lakhs.

- 1 During the year ended March 31, 2023, new term loan from SIDBI was availed by Synegra EMS Limited amounting to INR 206.84 lakhs and carries interest @ 8.25%. The term loan is repayable in 30 equal monthly instalments after a moratorium of 6 months.

Term loan is secured by a first charge, by way of hypothecation of all movable assets (except inventory and trade receivables), lien on fixed deposit of INR 55 lakhs of Synegra EMS Limited and Corporate Guarantee from Parent Company of INR 270 lakhs.

As per the loan sanction letter, the said loan was taken for the purpose of purchase of Plant & Machinery. The Company has used such borrowings for the purposes as stated in the loan sanction letter.

- 2 During the year ended March 31, 2023, new short term revolving loan from Bajaj Finance Limited was availed by Digisol Systems Limited amounting to INR 1350.00 lakhs and carries floating interest. The short term revolving loan is repayable in 90 days.

Short term revolving loan is secured by way of lien on fixed deposit of INR 1500 lakhs and Corporate Guarantee from Parent Company of INR 2000 lakhs.

As per the loan sanction letter, the said loan was taken for the purpose of working capital. The Company has used such borrowings for the purposes as stated in the loan sanction letter.

Unsecured Loan

Loan from Director taken for a tenure of 365 days

18 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Deposits	25.36	9.56
Unpaid dividend #	1.84	4.14
Interest accrued on delayed payment to MSME (Refer Note 16)	0.09	0.68
Capital creditors	90.76	284.47
Employee Payable	233.14	148.88
Asset Retirement Obligation	8.58	7.92
Payable to Telesmart SCS Limited Minority Shareholder (Refer note 37(b))	41.20	-
Total	400.97	455.65

During the year INR 1.42 lakhs (March 31, 2022 INR 1.43 lakhs) was transferred to the Investor Education and Protection Fund.



SMARTLINK HOLDINGS LIMITED
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

19 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for gratuity (funded) (Refer note 42)	70.77	39.22
Provision for leave encashment (unfunded)	36.86	31.32
Provision for Warranty (Refer note 39)	36.62	27.32
Total	144.25	97.86



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

20 Other non financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues payable	33.62	21.66
Advances from clients/customers	154.73	50.36
Advance rent received	6.34	0.45
Total	194.69	72.47

21 Equity share capital

The Company has only one class of equity share capital having a par value of INR 2 per share, referred to herein as equity shares.

Particulars	As at March 31, 2023	As at March 31, 2022
Authorized		
3,30,00,000 Equity Shares of INR 2/- each	700.00	700.00
	700.00	700.00
Issued, Subscribed and paid up		
99,75,000 (March 31, 2022 : 1,33,00,000) Equity Shares of INR. 2/- each, fully paid-up	199.50	266.00
Less: Nil (March 31, 2022 : 33,25,000) Equity Shares purchased under Buy-back scheme	-	66.50
Total	199.50	199.50

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2023	As at March 31, 2022
Outstanding at the beginning of the year	99,75,000	1,33,00,000
Add: Issued during the year / Bonus	-	-
Less: Bought back during the year	-	(33,25,000)
Outstanding at the end of the year	99,75,000	99,75,000

The Board of Directors of the Company at its meeting held on 4th December, 2020 and the Shareholders of the Company through postal ballot on 10th February, 2021 had approved the proposal of the Company to buy-back upto 33,25,000 fully paid-up equity shares of INR. 2/- each at a price of INR. 95/- per share (aggregating to 17.43% of the fully paid-up Equity Share Capital and Free Reserves of the Company), payable in cash for an aggregate amount not exceeding INR. 31,58,75,000/- from the existing shareholders of the Company under Tender Offer Mechanism. The offer was kept open from April 30, 2021 to May 14, 2021. The Company had bought back 33,25,000 Equity Shares and the shares were extinguished on May 27, 2021.

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of INR 2/- per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in the case of interim dividend. In the event of liquidation of company, the equity shareholders are entitled to receive the remaining assets of the company after distributions of all preferential amounts, in proportion to their shareholding.



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No of shares	% of holding	No of shares	% of holding
Mr. Kamalaksha R. Naik	48,00,163	48.12%	46,74,160	46.86%
Ms. Arati K. Naik	9,34,833	9.37%	9,34,833	9.37%
Mrs. Lakshana A. Sharma	7,94,608	7.97%	7,94,608	7.97%
Mrs. Sudha K. Naik	4,67,417	4.69%	4,67,417	4.69%

(d) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

Particulars	No of shares bought-back during the year	No of shares outstanding
31.03.2023	-	99,75,000
31.03.2022	33,25,000	99,75,000
31.03.2021	-	1,33,00,000
31.03.2020	36,50,000	1,33,00,000
31.03.2019	56,00,000	1,69,50,000

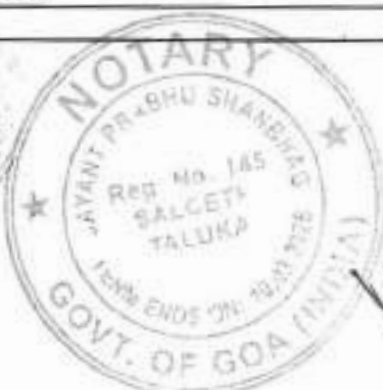
(f) Details of Shares held by Promoters at the end of the year

Promoter name	As at March 31, 2023		
	No. Of Shares	% of total shares	% Change during the year
Mr. Kamalaksha R. Naik	48,00,163	48.12%	2.70%
Ms. Arati K. Naik	9,34,833	9.37%	-
Mrs. Lakshana A. Sharma	7,94,608	7.97%	-
Mrs. Sudha K. Naik	4,67,417	4.69%	-
Mr. Amit Virendra Sharma	17,891	0.18%	100%
K R Naik HUF	1,00,493	1.01%	-
Total	71,15,405	71.34%	

Promoter name	As at March 31, 2022		
	No. Of Shares	% of total shares	% Change during the year
Mr. Kamalaksha R. Naik	46,74,160	46.86%	-29.71%
Ms. Arati K. Naik	9,34,833	9.37%	-29.71%
Mrs. Lakshana A. Sharma	7,94,608	7.97%	-29.71%
Mrs. Sudha K. Naik	4,67,417	4.69%	-29.71%
K R Naik HUF	1,00,493	1.01%	-29.71%
Total	69,71,511	69.90%	

22. Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
General Reserve	5,567.20	5,567.20
Capital Redemption Reserve	400.60	400.60
Capital Contribution	92.95	92.95
FVTOCI Reserve on financial instruments	-	2.27
FVTOCI Reserve on defined benefit plans	(52.32)	(22.95)
Statutory Reserve	1,254.32	899.50
Surplus in Statement of Profit and Loss	10,888.05	9,361.00
Total	18,150.80	16,300.57



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

(A) General Reserve*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	5,567.20	5,567.20
Add / (Less): Transfer from Surplus in Profit and Loss account	-	-
Closing balance	5,567.20	5,567.20

*General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013

(B) Capital Redemption Reserve*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	400.60	334.10
Add: NIL (March 31, 2022: 33,25,000) Equity shares of INR 2/- each purchased under buyback scheme	-	66.50
Closing balance	400.60	400.60

*This is on account of transfer towards buyback of equity shares. It will be utilized in accordance with the provisions of the Companies Act, 2013.

(C) Capital contribution*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	92.95	92.95
Add / (Less): Change during the year	-	-
Closing balance	92.95	92.95

* Represents impact of interest on loan to subsidiaries by promoters at lower than market rate of interest.

(D) FVTOCI Reserve on Financial Instruments*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	2.27	2.27
Net fair value gain/ (loss) on financial instruments	(2.27)	-
Closing balance	-	2.27

* Represents changes in the fair value of certain investments in debt securities. These changes are accumulated within the FVTOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant debt securities are derecognised.

(E) FVTOCI Reserve on defined benefit plans*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	(22.95)	(9.27)
Net fair value gain/ (loss) on financial instruments	(29.37)	(13.68)
Closing balance	(52.32)	(22.95)

* Represents, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expenses on the net defined benefit liability are recognised in the other comprehensive income instead of profit and loss.



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

(F) Statutory Reserve (As per section 45 IC of the Reserve Bank of India Act 1934)*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	899.50	320.43
Add / (Less): Transfer from Surplus in Statement of Profit and loss	354.82	579.07
Closing balance	1,254.32	899.50

*This represents provision created under section 45-IC of the Reserve Bank of India Act, 1934. It will be utilized in accordance with the provisions of the Reserve Bank of India Act, 1934

(G) Retained Earnings / Surplus in Statement of Profit and loss*

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	9,361.00	12,765.00
Add : Net profit / (loss) for the year	1,923.94	1,031.60
Amount available for appropriations	11,284.94	13,796.60
Less : Appropriations		
Less: Transferred to Statutory Reserve	(354.82)	(579.07)
Less: Paid to Shareholders for purchase of shares under buyback scheme	-	(3,158.75)
Less: Buyback Tax	-	(704.57)
Less: Adjustment on Amalgamation	(42.07)	-
Add : Share in Loss attributable to Minority Interest	-	6.79
Closing balance	10,888.05	9,361.00

*This represents the cumulative profits of the Group which can be utilized in accordance with the provisions of the Companies Act, 2013.

23 Non-controlling interest

Particulars	As at March 31, 2023	As at March 31, 2022
Opening	(4.81)	1.98
Add : Loss for the period	-	(6.79)
Less: Change in controlling stake of Subsidiary	4.81	-
Total	-	(4.81)



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

24 Interest Income

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
On financial assets measured at FYTOCI		
Interest on bonds	-	-
Interest on preference shares	2.53	4.78
	2.53	4.78
On Financial Assets measured at Amortised Cost		
Interest on deposits with banks	52.91	74.88
Interest on deposits with financial institutions	38.34	6.24
Interest Income on bonds	349.68	412.24
Interest Income on security deposits	1.32	0.80
Interest Income - others	-	0.26
Total	444.78	499.20

25 Net gain/ (loss) on fair value changes*

Particulars	For the Year ended March 31, 2023	For the Year ended March 31, 2023
On financial instruments designated at fair value through profit or loss	317.78	342.48
Total	317.78	342.48
Fair Value changes:		
-Realised	199.44	686.28
-Unrealised	118.34	(343.80)
Total	317.78	342.48

*Fair value changes in this schedule are other than those arising on account of interest income/expense.

26 Revenue from contracts with customer

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Sale of goods	14,332.89	5,987.68
Sale of services	698.67	569.72
Royalty Income	141.35	340.20
Other Operating Activities		
Process Scrap Income	13.54	8.35
Production Linked Incentive Income (refer note 65)	280.00	135.77
SEIS Scrip Duty Income	7.53	29.05
Total	15,473.38	7,070.77

The Subsidiaries derives its revenue from contract with customers for the transfer of goods and services at a point in time in a manner in which the they transfers the control of goods and services to customers. The Subsidiaries are engaged mainly in the business of manufacture, sale and servicing of networking products.

Contract Balances

Movement in contract Liabilities during the year	Advance from Customers	
	Currency Year	Previous year
Opening Balance	50.37	31.71
Less: Revenue Recognised	41.32	30.13
Add: Amount received	145.68	48.79
Closing Balance	154.73	50.37



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

27 Other income

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Foreign exchange gain / (loss) (net)	69.04	47.69
Interest on income tax refund	2.79	0.36
Sundry debtors written back	-	13.70
Other Support Services	-	18.47
Miscellaneous Income	2.42	0.55
Liabilities no longer required written back	-	8.70
Gain on derecognition of RoU assets	2.72	-
Gain on sale of property, plant and equipment (net)	31.71	0.64
Scrap Income	-	0.85
Total	128.68	92.96

28 Finance costs

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Interest on bank overdraft account	40.00	42.27
Interest on Term Loan	35.04	5.55
Interest on deposits	1.13	0.29
Interest on delayed payments to MSME Vendors	0.16	0.09
Interest on others	4.43	1.88
Interest on loan from directors	65.71	4.91
Interest on lease liabilities	25.44	15.87
Total	171.91	70.86

29 Impairment of financial instruments

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
On Financial Instruments measured at FVTOCI		
Investment in Preference Shares	0.26	4.78
Total	0.26	4.78

30 Purchase of stock-in-trade

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Networking products	7,899.88	2,439.35
Total	7,899.88	2,439.35

31 Cost of raw material consumed

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Inventory at the beginning of the year	585.70	244.46
Add: Purchases	6,275.69	2,946.71
Less: Inventory at the end of the year	(1,047.56)	(586.70)
Total	5,814.83	2,604.48

32 Changes in inventories of finished goods, work-in-progress and traded goods

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Inventories at the beginning of the year		
Finished goods		
- Manufactured	2.50	0.17
- Traded	817.60	435.19
Work-in-progress	0.39	0.84
	820.49	436.20
Less: Inventories at the end of the year		
Finished goods		
- Manufactured	68.04	1.50
- Traded	1,663.40	817.60
Work-in-progress	515.73	0.39
	2,247.17	820.49
Changes in inventories of finished goods, work-in-progress and traded goods	(1,426.68)	(384.29)



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

33 Employee benefits expenses

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	1,499.90	1,285.24
Contribution to provident and other funds (Refer note 42)	51.09	48.06
Staff welfare expenses	85.84	39.72
Gratuity expenses (Refer Note 42)	16.24	11.72
Total	1,653.07	1,384.74

34 Depreciation and amortization expenses

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Depreciation on property, plant and equipment (refer note 11)	269.50	200.73
Amortization on Intangible Assets (refer note 12)	3.71	13.33
Depreciation on Investment Property (refer note 10)	25.39	25.40
Total	298.60	239.46

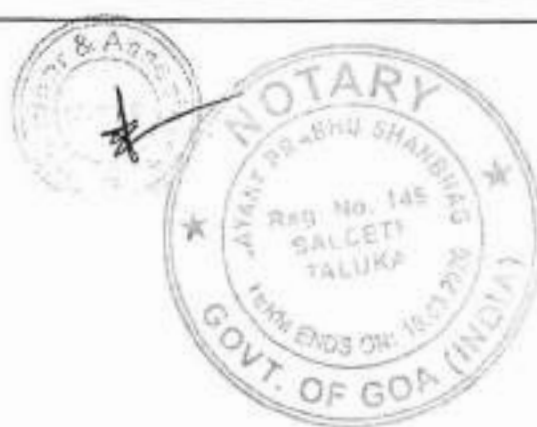
35 Other expenses

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Lease Rent and License Fees	34.77	8.62
Repairs and maintenance		
- Machinery	10.70	0.89
- Others	239.35	59.16
Communication Expenses	18.23	18.35
Printing and stationery Expenses	6.09	2.57
Advertisement and publicity Expenses	201.96	89.46
Director's fees	40.10	34.70
Auditor's fees and Expenses (Refer footnote 1)	26.94	23.33
Legal and Professional charges	355.28	192.82
Insurance charges	56.05	57.76
Consumption of store and spares	36.47	14.62
Power and fuel	130.78	97.16
Rates and taxes	54.60	25.12
Servicing Expenses	38.84	9.81
Warranty provision movement	9.30	4.24
Computer consumables, software and maintenance charges	56.00	38.81
Office Expenses	42.24	27.46
Bank charges and commission	16.84	10.67
Freight Outward	121.66	84.41
Travel and conveyance expenses	113.58	62.65
Application, Registration & Filing Fees	14.87	10.04
Provision for advance paid to supplier	-	13.86
Bad debts written off	0.22	1.32
Expected Credit Loss on trade receivables for time value of money	5.82	4.96
Expenditure on Corporate Social responsibility (Refer Note 63)	10.67	12.89
Sundry Balance written off	4.53	1.20
Production Linked Incentive Income written off	135.77	-
Miscellaneous Expense	55.19	38.35
Total	1,838.85	949.23

Foot Notes:-

1. Payment to Auditors

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Charged to Auditor's fees and expenses		
Statutory audit fees including GST expensed	25.17	22.17
Reimbursement of expenses including GST expensed	0.40	0.51
	25.57	22.68
Other certification fees including GST expensed	1.37	0.65
Total	26.94	23.33



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

36 Income tax

(A) Deferred tax relates to the following:

Particulars	As at March 31, 2023	As at March 31, 2022
Deferred tax assets		
On account of timing difference in retiral and other employee benefits	23.62	17.31
On account of fair value of financial assets designated at FVTOCI	1.71	14.12
Provision for doubtful debts / advances	7.30	7.84
On disallowance u/s 40a of Income Tax Act, 1951	14.35	10.98
On business losses	519.09	549.51
On provision for slow moving stock	42.72	26.46
On VRS Compensation	8.52	17.03
Others	15.60	12.81
	633.51	656.06
Deferred tax liabilities		
On property, plant and equipment	160.36	155.78
On account of fair value of financial assets designated at FVTPL	206.12	173.07
Other temporary differences	-	-
	366.48	328.85
Deferred tax liability (Net)	267.03	327.21

(B) Reconciliation of deferred tax assets/ (liabilities) (net):

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Opening balance as of 1 April	327.21	(31.89)
Tax assets / (liabilities) recognized in Statement of Profit and Loss	(65.68)	408.39
Tax assets / (liabilities) recognized in OCI	-	-
On re-measurements gain/(losses) of post-employment benefit obligations	5.49	0.71
On preference shares and bonds	-	-
Closing balance as at 31 March	267.03	327.21

(C) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss

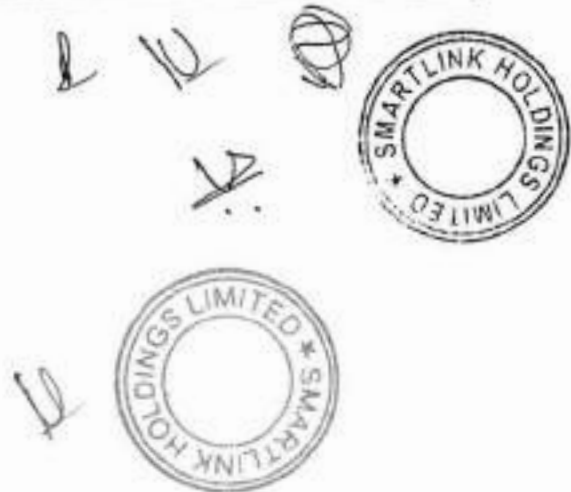
Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Tax liability	-	-
Tax asset	(65.68)	408.39
Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss	(65.68)	408.39

(D) Income tax expense reported in the statement of profit or loss

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
- Current tax	334.89	108.42
- Adjustments in respect of current income tax of previous year	(49.72)	6.90
- Deferred tax charge / (Income)	65.68	(408.39)
Income tax expense reported in the statement of profit or loss	350.85	(293.07)

(E) Income tax expense charged / (credit) to OCI

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Net fair value (gain)/loss on debt securities	-	-
Net loss/(gain) on remeasurements of defined benefit plans	(5.49)	(0.71)
Income tax expense charged / (credit) to OCI	(5.49)	(0.71)



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

(F) Reconciliation of tax charge

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Profit before tax	2,274.79	738.53
Tax Rate	25.168%	25.168%
Income tax expense at tax rates applicable	572.52	185.87
Tax effects of:		
- Items not deductible for tax	103.07	(344.73)
- brought forward losses adjustments	(133.52)	(141.11)
- deferred tax assets on taxable business losses	-	-
- CSR expenditure not allowed for tax purpose	1.92	-
- Leasehold land amortisation not claimed in income tax	2.02	-
- Others	(53.38)	-
Effect of unrecognized deferred tax assets (net)	(94.06)	-
Earlier year adjustment	(49.72)	6.90
Income tax expense	350.85	(293.07)

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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

37 Basis for preparation of consolidated financial statements (CFS)

- a) The Consolidated Financial Statements (CFS) are prepared in accordance with the requirements of Indian Accounting Standard (IndAS) 21, 'Consolidated Financial Statements' (IndAS) 110, as notified under Section 133 of the Companies Act, 2013 (the 'Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The CFS comprises the financial statements of Smartlink Holdings Limited and its subsidiaries. References in these notes to Smartlink, Company, Companies, Parent Company or Group shall mean to include Smartlink Holdings Limited or any of its subsidiaries, unless otherwise stated. The notes and significant accounting policies to the CFS are intended to serve as a guide for better understanding of the Group's position. In this respect, the Group has disclosed such notes and policies which represent the required disclosure.

The list of subsidiaries included in the consolidated financial statements are as under:

Name of the Company	Nature of business	% of shareholding
Digisol Systems Limited	Developing, manufacturing, selling, marketing and servicing of various categories of Networking and Information Technology (IT) products.	100%
Synegra EMS Limited	Manufacture of various categories of electronic and IT products on job work basis and also engages in contract manufacturing for Original Equipment Manufacturers (collectively the activities constitute Electronic Manufacturing Services (EMS) business).	100%

- b) During the year, the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench vide its order dated March 3, 2023 has approved the 'Scheme of Amalgamation (Scheme)' of a Subsidiary namely Telesmart SCS Limited (Telesmart) (Transferor Company) with another Subsidiary namely Digisol Systems Limited (Transferee Company) with appointed date April 1, 2022. Digisol Systems Limited has filed the certified copy of the said order along with the requisite form with the Registrar of Companies, Goa on May 4, 2023 (effective date).

The effects of the 'Scheme' has been accounted for in the books of accounts of Digisol Systems Limited in accordance with the Scheme and is in accordance with the Indian Accounting Standards.

38 Earnings/ (loss) per share

Basic earnings / (loss) per share amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

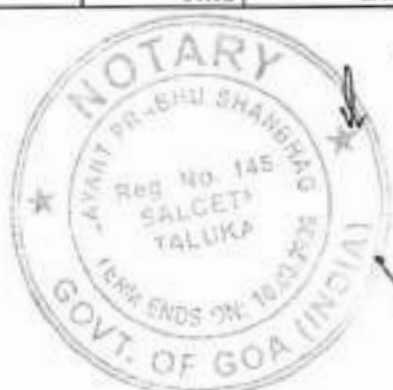
Particulars	For the Year ended March 31, 2023	For the year ended 31st March, 2022
Ordinary equity shareholders		
Profit / (Loss) attributable to ordinary equity holders	1,923.94	1,038.74
Weighted average number of equity shares in lakhs	99.75	104.94
Face Value per share	2	2
Basic earnings per share (INR)	19.29	9.90
Diluted earnings per share (INR)	19.29	9.90

39 Provisions

Provision for Warranty

Digisol Systems Limited gives warranties on active products, undertaking to repair / replace products, which fail to perform satisfactorily during the warranty period. Warranty provision is made on the cost of material estimated to be incurred on servicing / replacement of active products in future, considering the warranty period of 3-5 years. The provision is determined taking into consideration the historical data of cost incurred on servicing / rectifying product failures.

Movement of warranty provisions	As at March 31, 2023	As at March 31, 2022
At the beginning of the period	27.32	23.08
Add: Additional provision created	9.30	4.24
Less: Provision written back (net of additions)	-	-
As at the end of the period	36.62	27.32



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

40. Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Bank guarantees given in favour of Electricity Department - Government of Goa	71.61	71.61
Corporate guarantees given in favour of banks on behalf of Digisol Systems Limited (Wholly owned subsidiary)		
HDFC Bank Limited	3,000.00	2,000.00
Bajaj Finance Limited	2,000.00	-
Corporate guarantees given in favour of banks on behalf of Synegra EMS Limited (Wholly owned subsidiary)		
HDFC Bank Limited	1,300.00	1,300.00
Small Industries Development Bank Of India	270.00	-
	6,641.61	3,371.61

41. Capital and other commitments

Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account	-	275.04
Non-cancellation lease liabilities (Refer Note 43)	719.96	734.22

42. Employee benefits

(A) Defined Contribution Plans

During the year, the Group has recognized the following amounts in the Statement of Profit and Loss :

Particulars	For the Year ended March 31, 2023	For the year ended 31st March, 2022
Employer's Contribution to Provident Fund and Pension Fund	43.64	40.71
Employer's contribution to Employee State Insurance	4.87	5.08
Employer's contribution to National Pension Scheme	2.39	2.17
Employer's contribution to Professional Tax	0.19	0.10
Total	51.09	48.06

(B) Defined benefit plans

a) Gratuity payable to employees

The Group has a defined benefit gratuity plan and governed by payment of Gratuity Act, 1972. Every employee who has completed five years or more of services is entitled to a gratuity on departure at 15 days of last drawn salary for each completed year of services. The scheme is funded through a policy with LIC.

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Actuarial assumptions		
Discount rate (per annum)		
- Smartlink Holdings Limited	7.20%	7.17%
- Digisol Systems Limited	7.22%	7.36%
- Synegra EMS Limited	7.20%	7.26%
- Telesmart SCS Limited		6.86%
Rate of increase in Salary		
- Smartlink Holdings Limited	6.00%	5.00%
- Digisol Systems Limited	6.00%	5.00%
- Synegra EMS Limited	6.00%	6.00%
- Telesmart SCS Limited		6.00%
Mortality	IALM (2012-14) UTR	IALM (2012-14) UTR



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
ii) Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	137.85	112.24
Interest cost	9.88	7.28
Past service cost	-	-
Current service cost	13.34	11.65
Benefits paid	(15.19)	(6.99)
Actuarial (gain)/ loss on obligations - Due to change in Financial Assumptions	40.14	12.04
Actuarial (gain)/ loss on obligations - Due to experience	(4.71)	1.63
Present value of obligation at the end of the year	181.31	137.85
iii) Change in the fair value of plan assets:		
Opening fair value of plan assets	104.99	104.70
Adjustment to Opening Fair Value of Plan Asset	-	0.79
Expected return on plan assets	6.98	7.21
Contributions by employer	25.69	-
Benefits paid	(15.19)	(6.99)
Return on plan assets excluding interest income	0.57	(0.72)
Closing fair value of plan assets	123.04	104.99
iv) Expense recognized in the Statement of Profit and Loss		
Current service cost	13.34	11.65
Past service cost	-	-
Interest cost	2.90	0.07
Total expenses recognized in the Statement Profit and Loss*	16.24	11.72

* Included in Employee benefits expense (Refer Note 33).

Particulars	For the Year ended March 31, 2023	For the year ended 31st March, 2022
v) Expense recognized in Other comprehensive Income		
Actuarial (gain) / loss on Obligation for the period	35.43	13.67
Return on plan assets excluding interest income	(0.57)	0.72
Net actuarial (gains) / losses recognised in OCI	34.86	14.39

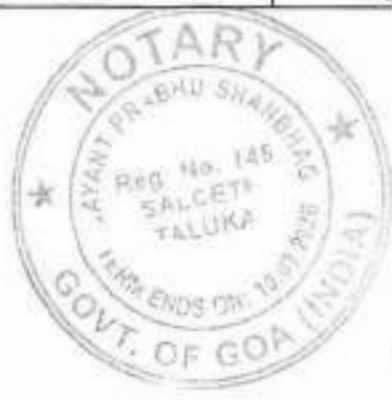
	As at March 31, 2023	As at March 31, 2022
vi) Assets and liabilities recognized in the Balance Sheet:		
Present value of obligation as at the end of the year	(181.31)	(137.85)
Fair Value of Plan Assets at the end of the year	123.04	104.99
Net asset / (liability) recognized in Balance Sheet*	(58.27)	(32.86)

* Included in provision for employee benefits (Refer note 15 and 19)

vii) Expected contribution to the fund in the next year INR 17.37 lakhs

viii) A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
1% increase	161.29	200.25	121.74	152.44
1% decrease	200.27	160.99	152.33	121.41



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

5c) Maturity profile of defined benefit obligation

Year	As at March 31, 2023	As at March 31, 2022
Year 1	2.41	2.11
Year 2	1.01	1.92
Year 3	1.23	0.92
Year 4	16.82	1.18
Year 5	4.73	14.48
Year 6 to 10	86.58	60.98

43 Leases

(A) Operating leases where Group is a lessee:

When the intermediate lessor enters into the sublease which is classified as Operating lease, it retains the lease liability and the Right-of-Use asset (ROU) relating to the head lease in its statement of financial position. During the term of the sublease, the intermediate lessor: Recognises a depreciation charge for the right-of-use asset and interest on the lease liability and lease income from the sublease.

Further Ind AS 116 requires inclusion of variable lease payments based on index or a rate.

Variable lease payments based on an index or a rate: Variable lease payments based on an index or a rate (for example, linked to a consumer price index, a benchmark interest rate or a market rental rate) are part of the lease liability. From the perspective of the lessee, these payments are unavoidable, because any uncertainty relates only to the measurement of the liability but not to its existence. Variable lease payments based on an index or a rate are initially measured using the index or the rate at the commencement date (instead of forward rates/indices). This means that an entity does not forecast future changes of the index/rate; these changes are taken into account at the point in time in which lease payments change. However, based on management's estimates that lease payment increases 10% after a period of a period of three years. Therefore, based on management judgement, estimates and conservative approach it is estimated, lease liability has been calculated based on these estimated cash flows.

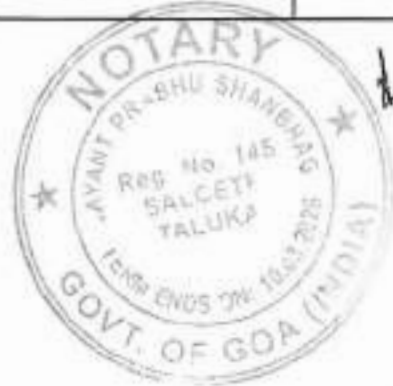
Following are the changes in the carrying value of right of use assets for the year ended March 31, 2023:

Particulars	Category of ROU Asset		
	Land & Buildings	Prepaid Rent	Total
Balance as on April 01, 2021	140.10	1.93	142.03
Additions	-	-	-
Depreciation	28.83	0.63	29.46
Deletions	-	-	-
Balance as on March 31, 2022	111.27	1.30	112.57
Additions	220.21	7.59	227.80
Depreciation	46.89	1.42	48.31
Deletions	23.17	0.81	23.98
Balance as on March 31, 2023	261.42	6.65	268.08

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the movement in lease liabilities during for the year ended March 31, 2023:

Particulars	Amount
Balance as on April 01, 2021	209.95
Additions	-
Deletion/Derecognition	-
Finance cost accrued during the period	15.87
Payment of lease liabilities	(42.26)
Balance as on 31 March, 2022	183.56
Particulars	Amount
Balance as on 01 April 2022	183.56
Additions	220.21
Deletion/Derecognition	(25.86)
Finance cost accrued during the period	25.44
Payment of lease liabilities	(62.94)
Balance as on 31 March, 2023	340.41



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2023 on an undiscounted basis:

Particulars	As at March 31, 2023	As at March 31, 2022
Less than one year	67.33	35.85
One to five years	230.43	71.30
More than five years	797.75	809.69
Total	1,095.51	917.84

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Lease rentals paid on short term leases for Current Year INR NIL (March 31, 2022 INR NIL)

(B) Operating leases where Group is a lessor:

The Group has entered into cancellable operating leases on its investment property portfolio consisting of certain office and manufacturing buildings. These leases have terms of between 11 months to 60 months. Certain leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

The total rental income on assets given on operating leases amounts to INR 69.32 lakhs for the year ended March 31, 2023 (March 31, 2022 INR 37.73 lakhs).

Future minimum rentals receivables under operating leases as at March 31 are, as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Within one year	74.77	34.27
After one year but not more than five years	146.02	23.29
More than five years	-	-

44 Related party disclosures:

(A) Names of related parties and description of relationship as identified and certified by the Group:

Enterprise over which key management person is able to exercise significant influence.
Mr. Kamalaksha R. Naik (HUF)

Key Management Personnel (KMP)

Mr. Kamalaksha R. Naik - Executive Chairman
Mr. Krishnanand M. Gaonkar - Non Executive Independent Director
Mr. Bharubhai R. Patel - Non Executive Independent Director
Mr. Pankaj M. Baliga - Non Executive Independent Director
Mr. Pradeep A. Rane - Non Executive Independent Director
Ms. Arati K. Naik - Executive Director
Mr. Nitin A. Kulkarni - Non Executive Director (Synegra EMS Limited)
Mr. Ray Chang - Non Executive Director (Telesmart SCS Limited)
Mr. K. G. Prabhu - Chief Financial Officer
Mrs. Urjita Damle - Company Secretary
Mr. Edlan Fernandes - Company Secretary - Synegra EMS Limited
Mr. Pradeep Pande - Non-Executive Director (ceased w.e.f. January 04, 2022 - Smartlink Holdings Limited & Synegra EMS Limited)
Mr. Natarajan Sankar - Non-Executive Director (w.e.f. April 01, 2021 upto June 30, 2021 - Synegra EMS Limited)
Mr. Prabodh Vyas - Non-Executive Director (retired w.e.f. August 31, 2021 - Digisol Systems Limited)

Relatives of key management personnel :

Ms. Arati K. Naik
Mrs. Sudha K. Naik
Mrs. Lakshana A. Sharma



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

(B) Details of transactions with related party in the ordinary course of business for the year ended:

Particulars	March 31, 2023		March 31, 2022	
	Enterprise over which key management person is able to exercise significant influence.	Key Management Personnel/ Relative of Key management personnel	Enterprise over which key management person is able to exercise significant influence.	Key Management Personnel/ Relative of Key management personnel
Salary				
Mr. K. G. Prabhu				
Short-term employee benefits		56.18	-	35.87
Post-employment benefits		0.22	-	0.22
Mrs. Urjita Damle				
Short-term employee benefits		16.28	-	13.59
Post-employment benefits		0.22	-	0.22
Mr. Edlan Fernandes				
Short-term employee benefits		5.96	-	-
Post-employment benefits		0.20	-	-
Director Sitting Fees				
Mr. Krishnand M. Gaonkar		10.55		7.00
Mr. Pankaj M. Baliga		8.55		5.00
Mr. Pradeep A. Rane		5.50		4.50
Mr. Bhanubhai R. Patel		11.00		7.50
Mr. Pradeep G. Pande		-		3.00
Mr. Nikin A. Kuncolienkar		1.50		2.50
Mr. Notarajan Senkara		-		0.50
Mr. Ray Chang		3.50		2.00
Mr. Prabodh Vyas		-		1.00
Rent Expense				
Ms. Aarti K. Naik	-	2.40	-	2.40
Interest on Loan				
Mr. Kamalaksha R. Naik	-	65.71	-	4.91
Loan taken				
Mr. Kamalaksha R. Naik	-	-	-	430.00
Loan repaid				
Mr. Kamalaksha R. Naik	-	480.00	-	500.00
Consideration paid for Buyback of Shares				
Mr. Kamalaksha R. Naik	-	-	-	1,877.05
Mr. Kamalaksha R. Naik (HUF)	-	-	40.36	-
Ms. Aarti K. Naik	-	-	-	375.41
Mrs. Sudha K. Naik	-	-	-	187.70
Mrs. Lakshana A. Sharma	-	-	-	319.10



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

Balances due from and due to related parties

Particulars	As at March 31, 2023	As at March 31, 2022
Amount due to related party as on:		
Key Management Personnel		
Mr. Kamalasha R Naik	1,250.00	1,730.00

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

45 Fair values of financial assets and financial liabilities

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

B. Measurement of fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash, bank balances, short-term deposits, other short-term receivables, trade payables, other current liabilities and other financial liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.
2. The fair value of non-current financial assets comprising of term deposits at amortised cost using Effective Interest Rate (EIR) are not significantly different from the carrying amount.
3. The fair value of Lease liabilities are calculated based on cash flows discounted using a current lending rate. They are classified at level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

46 Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

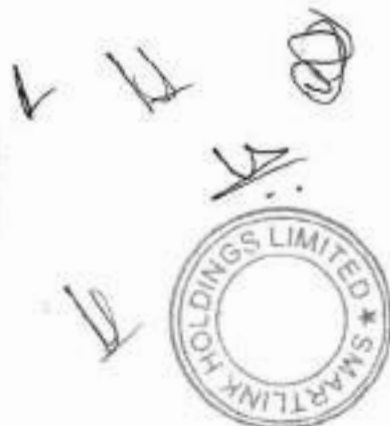
- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Fair value measurement hierarchy of assets and liabilities

Particulars	Fair value hierarchy	As at March 31, 2023	As at March 31, 2022
FINANCIAL ASSETS			
<u>Financial assets measured at amortized cost</u>			
Investments in Debt securities	Level 3	4,551.90	5,056.62
Fixed Deposits	Level 3	1,537.31	-
Security Deposits	Level 3	28.13	29.24
Trade receivables	Level 3	4,040.51	1,715.80
<u>Financial assets measured at Fair Value through Other Comprehensive Income</u>			
Investments in Debt securities	Level 2	-	49.30
<u>Financial assets measured at fair value through profit or loss</u>			
Investments in mutual funds	Level 2	6,191.41	5,915.92
FINANCIAL LIABILITIES			
Financial liabilities measured at amortised cost	Level 3	25.36	9.56
Lease Liabilities	Level 3	340.41	183.56
Asset retirement obligation	Level 3	8.58	7.92

There have been no transfers between Level 1 and Level 2 during the period



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

47 Financial risk management objectives and policies

The Group is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Group does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of risk interest rate risk and price risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimise the Group's position with regards to interest income, treasury team manages the interest rate risk by diversifying its portfolio across tenures.

(ii) Price risk

The Group's exposure to securities arises from investments held by the Group and classified in the Balance Sheet as fair value through OCI

(iii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the holding Company's functional currency).

(a) The Company's exposure to foreign currency risk at the end of the year is as follows

Particulars	Currency	As at March 31, 2023	As at March 31, 2022
Trade Receivables	USD	104.21	68.79
Trade Payables	USD	1,165.31	583.10
	JPY	-	284.47

(b) Foreign currency sensitivity

The following table details the Company's sensitivity to a 1% increase and decrease against the US Dollar /JPY. 1% is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates.

Particulars	As at March 31, 2023	As at March 31, 2022
Impact of 1% strengthening against USD - Decrease in loss	12.70	6.52
Impact of 1% weakening against USD- Increase in loss	12.70	6.52
Impact of 1% strengthening against JPY - Decrease in loss	-	2.84
Impact of 1% weakening against JPY- Increase in loss	-	2.84

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk primarily arises from cash equivalents, trade receivables, financial assets measured at amortised cost and financial assets measured at fair value through profit or loss. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

For trade receivables, credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables.



SMARTLINK HOLDINGS LIMITED
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023
(Amount in INR lakhs, unless otherwise stated)

For other financial assets and investments, the Company has an investment policy which allows the Company to invest only with counterparties having a good credit rating. The Company reviews the creditworthiness of these counterparties on an on-going basis. Counterparty limits may be updated as and when required subject to approval of Board of Directors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts as mentioned in Note 5, 6, 7, 8, and 13.

(C) Liquidity risk

The Group's principal sources of liquidity are 'cash and cash equivalents' and cash flows that are generated from operations. The Group believes that its working capital is sufficient to meet the financial liabilities within maturity period. The Company has no borrowings. Additionally, the Group has invested its surplus funds in fixed income securities or instruments of similar profile thereby ensuring safety of capital and availability of liquidity as and when required. Hence, the Group carries a negligible liquidity risk.



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

48 Segment Information

Operating segments are defined as components of an enterprise for which discrete financial information is available that is evaluated regularly by the chief operating decision maker. The Group's chief operating decision maker is the Executive-Chairman.

(A) Segment information for primary reporting (by business segment)

The group has two reportable business segments

(i) Investment : Earning income through dividends, interest, rentals and gains on investment in securities and properties.

(ii) Networking products : Developing, manufacturing, marketing, distributing and servicing of networking products.

Information about primary segments

Particulars	Year Ended	
	March 31, 2023	March 31, 2022
Segment Revenue (net):		
(a) Investment	954.50	909.37
(b) Networking Products	15,490.18	7,103.23
Total	16,444.69	8,012.60
Less: Inter-segment Revenue	(139.42)	(62.42)
Total Income from Operations (net)	16,305.26	7,950.18

Segment Profit / (Loss) before finance cost, tax and minority interest:		
(a) Investment	1,854.28	115.44
(b) Networking Products	549.41	724.67
Total	2,403.69	840.11
Add / (Less): Other un-allocable expenditure net-off un-allocable income	43.01	(30.72)
Operating Profit / (Loss)	2,446.70	809.39
Add / (Less):		
(i) Finance Costs (net)	(171.91)	(70.86)
(ii) Income Taxes	(350.35)	293.07
(iii) Share of loss attributable to Minority	-	7.14
Profit / (Loss) after finance cost, tax and minority interest	1,923.94	1,038.74

Capital Employed		
Segment Assets		
(a) Investment	15,360.68	14,675.14
(b) Networking Products	9,785.67	4,765.59
(c) Un-allocated	1,016.51	1,446.90
Total Assets	26,162.86	20,887.63
Less: Segment Liabilities		
(a) Investment	321.05	275.70
(b) Networking Products	7,454.31	4,102.97
(c) Un-allocated	27.20	13.76
Total Liabilities	7,812.56	4,392.37
Total Capital Employed	18,350.30	16,495.26

Capital expenditure		
Addition to fixed assets		
(a) Investment	121.82	207.28
(b) Networking Products	518.06	418.73
(c) Un-allocated	-	-
Total Assets	639.88	626.01
Depreciation and Amortisation		
(a) Investment	102.22	108.31
(b) Networking Products	196.38	131.15
(c) Un-allocated	-	-
Total	298.60	239.46



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in ₹ lakhs, unless otherwise stated)

Particulars	Year Ended	
	March 31, 2023	March 31, 2022
<u>Material non cash expenditure other than Depreciation and amortisation</u>		
(a) Investment	-	-
(b) Networking Products	6.73	(11.65)
(c) Un-allocated	-	-
Total	6.73	(11.65)

(B) Segment information for secondary segment reporting (by geographical segments)

The secondary reporting segment for the Group is the geographical segment based on location of customers, which is as follows:

- i) Domestic
- ii) Export

Information about secondary segments

Particulars	Year Ended	
	March 31, 2023	March 31, 2022
<u>Revenue from customer</u>		
- Domestic	15,764.67	7,320.67
- Export	540.39	629.51
Total	16,305.26	7,950.18
<u>Segment Assets</u>		
- Domestic	26,058.65	20,818.84
- Export	104.21	68.79
Total	26,162.86	20,887.63
<u>Addition to fixed assets during the year</u>		
- Domestic	639.88	626.01
- Export	-	-
Total	639.88	626.01



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SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

- 49 The Group has not given Loans or Advances in the nature of loans to Promoters, Directors, Key Management Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

50 Capital-work-in progress (cwip)

(a) For Capital-work-in progress ageing schedule

March 31, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

March 31, 2022

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	215.70	-	215.70

51 Intangible assets under development

The Group does not have any Intangible assets under development during the current year and the previous year.

52 Details of Benami Property held

The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

53 Reconciliation of quarterly returns or statements of current assets filed with banks or financial institutions

Monthly returns / statements are filed with such Banks/ financial institutions are in agreement with the books of account.

54 Willful Defaulter

The Group has not been declared a willful defaulter by any bank or financial institution.

55 Relationship with Struck off Companies under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

56 Registration of charges or satisfaction with Registrar of Companies

The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory

57 Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

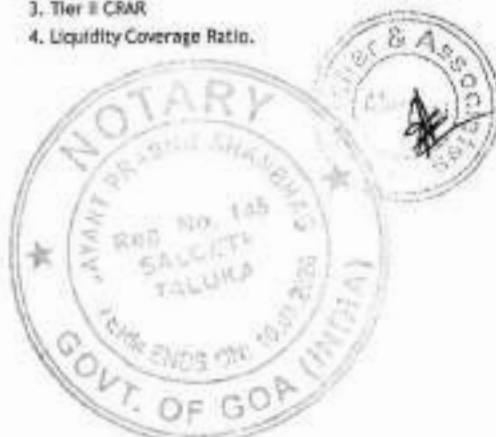
58 Utilisation of Borrowed funds and share premium:

(i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

59 The Parent Company is a Non Banking Financial Company - Non-Systemically Important Non-Deposit taking Company as per the Reserve Bank of India circular RBI/DNBR/2016-17/44 Master Direction DNBR.PD.007/03.10.119/2016-17. Thus, the following analytical ratios are not applicable to the Company.

1. Capital to risk-weighted assets ratio (CRAR)
2. Tier I CRAR
3. Tier II CRAR
4. Liquidity Coverage Ratio.



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in ₹ lakhs, unless otherwise stated)

60 Undisclosed Income

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

61 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

62 Capital Management

For the purpose of the Group's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The Holding Company operates as an Investment Company and consequently is registered as a Non-Banking Financial Institution - (Non Public Deposit Accepting) with Reserve Bank of India (RBI).

The holding company does not have any borrowings in the nature of loans and advances from Banks, financial institutions and others and is cash surplus. The subsidiary companies in the group have borrowings from banks and from directors. Overall the consolidated equity of the Group is in excess of the borrowings. The cash surpluses of the Holding Company are currently invested in income generating debt instruments (including through mutual funds) and money market instruments depending on economic conditions in line with investment policy set by the Management. Safety of capital is of prime importance to ensure availability of capital for operations. Objective of investment policy is to provide safety and adequate return on the surplus funds.

63 As per provisions of section 135 of Companies Act 2013, the Group was required to spend INR 10.20 lakhs (March 31, 2022: INR 13.76 lakhs) being 2% of average net profits made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy on the activities specified in Schedule VII of the Act. The Company has spent INR 10.91 lakhs (including excess of earlier year) (March 31, 2022: INR 14.00 lakhs) towards Corporate Social Responsibility activities as under:

A.	Particulars	As at March 31, 2023	As at March 31, 2022
	Gross Amount required to be spent as per Section	10.20	13.76
	Add: Amount Unspent from previous years	-	-
	Total Gross amount required to be spent during	10.20	13.76

B.	Amount approved by the Board to be spent during	10.90	16.35
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C.	Amount spent during the year on		
	(i) Construction/acquisition of an asset	-	-
	(ii) On purposes other than (i) above	10.67	12.89

D.	Details related to amount spent		
	Particular	As at March 31, 2023	As at March 31, 2022
	(i) Construction / acquisition of any asset		-
	(ii) On purpose other than (i) above		
	- Installation of Networking products in various	-	2.50
	- Prime Minister's National Relief Fund	0.25	1.51
	- Promoting healthcare	-	0.57
	- Education purpose	10.42	8.31
	Total	10.67	12.89



SMARTLINK HOLDINGS LIMITED

Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in ₹ lakhs, unless otherwise stated)

E. Detail of excess CSR expenditure

Nature of Activity	Balance excess as at April 01, 2022	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2023
-On purpose other than Construction / acquisition of any asset	(0.24)	10.20	10.67	(0.71)

Nature of Activity	Balance excess as at April 01, 2021	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2022
-On purpose other than Construction / acquisition of any asset	(1.11)	13.76	12.89	(0.24)

F. Disclosures on Shortfall

Particulars	March 31, 2023	March 31, 2022
Amount Required to be spent by the Company	10.20	13.76
Actual amount Spent by the Company during the FY	10.67	12.89
Excess adjusted during the CY	0.24	1.11
Shortfall/(Excess) at the end of the year	(0.71)	(0.24)
Total of previous years shortfall expenditure	-	-

64 Disclosure required under Schedule III of Companies Act, 2013

Name of the Entity	Year ending	Net Assets, i.e. total assets minus total liabilities		Share in Profit or (Loss)		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Smartlink Holdings Limited (Consolidated)	31.03.2023	100.00	18,350.30	100.00	1,923.94	100.00	1,894.57
	31.03.2022	100.00	16,500.07	100.00	1,038.74	100.00	1,024.71
Parent Smartlink Holdings Limited	31.03.2023	109.45	20,084.77	92.21	1,774.08	93.82	1,777.53
	31.03.2022	110.97	18,309.51	278.74	2,895.35	282.33	2,893.03
Subsidiaries Digisol Systems Limited	31.03.2023	13.14	2,410.61	23.04	443.17	22.35	423.36
	31.03.2022	12.77	2,107.59	97.38	1,011.67	98.59	1,010.14
Synegra EMS Limited	31.03.2023	6.32	1,159.77	(3.89)	(74.76)	(4.63)	(87.76)
	31.03.2022	1.50	247.53	0.97	10.04	(0.15)	(1.50)
Telesmart SCS Limited	31.03.2023	-	-	-	-	-	-
	31.03.2022	(0.48)	(79.12)	(3.43)	(35.68)	(3.32)	(33.97)
Minority interests in subsidiaries Telesmart SCS Limited	31.03.2023	-	-	-	-	-	-
	31.03.2022	(0.03)	(4.81)	(0.69)	(7.14)	(0.70)	(7.14)
Elimination and Adjustment due to Consolidation	31.03.2023	(28.91)	(5,304.85)	(11.36)	(218.55)	(11.54)	(218.56)
	31.03.2022	(24.73)	(4,080.63)	(272.97)	(2,835.50)	(276.75)	(2,835.85)
Total	31.03.2023	100.00	18,350.30	100.00	1,923.94	100.00	1,894.57
	31.03.2022	100.00	16,500.07	100.00	1,038.74	100.00	1,024.71



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SMARTLINK HOLDINGS LIMITED

Notes form part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR lakhs, unless otherwise stated)

65 Synegra EMS Limited (Synegra), subsidiary Company had received approval under the Production Linked Incentive (PLI) to promote Telecom and Networking Products manufacture in India (the PLI scheme) on October 14, 2021 from the Competent Authority. Under the PLI scheme Synegra had recognised an income of Rs. 135.77 lakhs in the previous financial year ended March 31, 2022 on fulfilment of the conditions for eligibility of incentive under the PLI scheme.

During the current year, on October 31, 2022 Synegra had received approval under the extended PLI scheme and the Board of Directors of Synegra at their meeting held on November 2, 2022 had approved the exit from the erstwhile PLI scheme and opting for the extended PLI scheme. Consequently, Synegra had derecognised the said incentive of Rs. 135.77 lakhs and charged the amount to other expenses in the quarter ended September 30, 2022.

Further for the year ended March 31, 2023 on fulfilment of the conditions for eligibility of incentive under the extended PLI scheme, the Company has re-recognised incentive of Rs. 280 lakhs.

66 As at March 31, 2023, the Group did not have any outstanding long term derivative contracts (previous year INR NIL)

67 There were no whistleblower complaints received during the FY 2022-23.

68 Event after reporting date:-

There have been no events after the reporting date that require disclosure in these financial statements.


As per my report of even date
For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No.: 134427W


Abhishek Pachangia
Partner
Membership No. 120593



Place: Mumbai
Date: May 17, 2023

For and on behalf of the Board of Directors of
Smartlink Holdings Limited
CIN : L67100GA1993PLC001341


K.R. Nalk
Executive Chairman
DIN: 00002013

K.G. Prabhu
Chief Financial Officer

Place: Mumbai
Date: May 17, 2023


Anil Nalk
Executive Director
DIN: 06963985

Urjita Damle
Company Secretary
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