

BEFORE THE NATIONAL COMPANY LAW TRIBUNAL,  
BENCH, AT MUMBAI

COMPANY SCHEME APPLICATION NO. OF 2024.

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

AND

In the matter of Sections 230 to 232 of the Companies Act, 2013  
along with 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. )  
 ) ...Applicant Company No.1

SMARTLINK HOLDINGS LIMITED ("SHL"), a )  
public limited company, which is listed on )  
recognized stock exchanges, incorporated under )  
the Companies Act, 1956 having its registered )  
office at L-7, Verna Industrial Estate, Verna, )  
Salcete, Goa, India - 403722 )  
 ) ...Applicant Company No.2



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FOR RAJESH SHAH & CO.

*Rajesh Shah*  
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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.

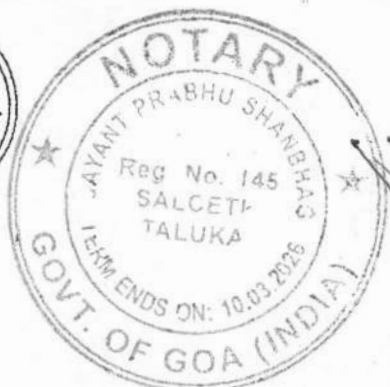
During the year, the Company has reversed the provision for impairment of Rs. 143.95 lakhs on investments in subsidiaries.

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.

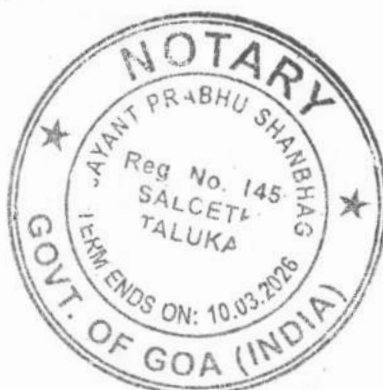
In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears 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.

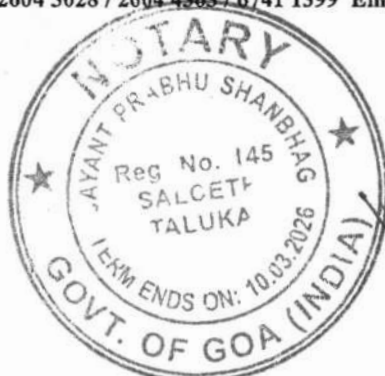
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- 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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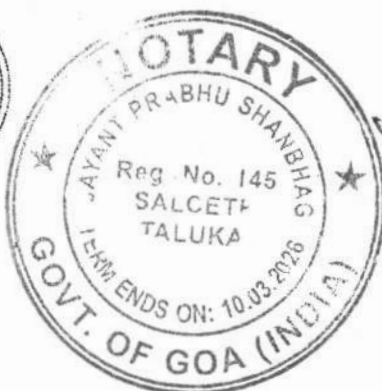
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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of current period and are therefore, the key audit matters. We describe 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: 23120593BGWJMM2193



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.

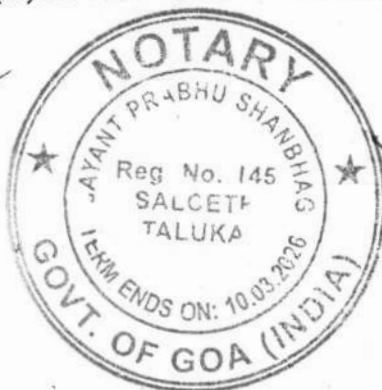
(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(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.

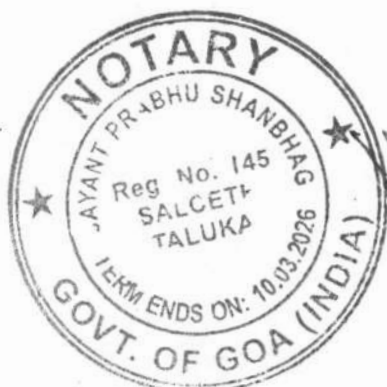
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- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from public within the meaning of sections 73, 74, 75 and 76 of the Act, and the rules framed thereunder. Accordingly, the 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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## ***Shridhar & Associates*** ***Chartered Accountants***

(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.

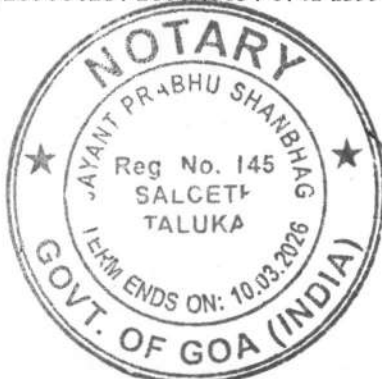
(a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

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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## ***Shridhar & Associates*** ***Chartered Accountants***

(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.

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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

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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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## ***Shridhar & Associates*** ***Chartered Accountants***

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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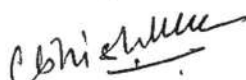




Smartlink Holdings Limited  
Stand alone Balance Sheet as at March 31, 2023  
(Amount in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Financial Assets</b>			
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	15,047.52
Other financial assets	8	9.38	25.23
<b>Non-financial assets</b>			
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
<b>Total Assets</b>		<b>20,806.24</b>	<b>18,907.35</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
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
<b>Non-Financial Liabilities</b>			
Provisions	18	5.07	5.35
Deferred tax liabilities (net)	31	365.70	311.26
Other non-financial liabilities	19	10.48	3.80
<b>EQUITY</b>			
Equity share capital	20	199.50	199.50
Other equity	21	19,885.27	18,110.01
<b>Total Liabilities and Equity</b>		<b>20,806.24</b>	<b>18,907.35</b>
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 Pachlangia  
Partner  
Membership No. 120593




Place: Mumbai  
Date: May 17, 2023

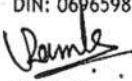


For and on behalf of the Board of Directors of  
Smartlink Holdings Limited  
CIN : L67100GA1993PLC001341

  
K.R. 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

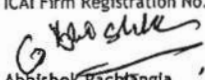


Place: Mumbai  
Date: May 17, 2023



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
<b>Income</b>			
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	342.48
Total revenue from operations		954.49	909.37
Other Income	25	150.69	2,819.64
Total Income		1,105.18	3,729.01
<b>Expenses</b>			
Finance costs	26	16.69	16.70
Impairment on financial Instruments	27	0.26	4.78
Employee benefits expenses	28	285.91	276.48
Depreciation and amortisation expense	29	102.22	108.31
Other expenses	30	679.13	385.18
Total expenses		1,084.21	791.45
Profit / (Loss) before exceptional items and tax		20.97	2,937.56
Exceptional Items	11(c)	2,091.57	-
Profit / (Loss) before tax		2,112.54	2,937.56
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	2,895.35
<b>Other Comprehensive Income</b>			
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	2,893.03
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  
  
Abhishek Pachhangia  
Partner  
Membership No. 120593



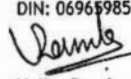
Place: Mumbai  
Date: May 17, 2023



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

  
Arati Naik  
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)

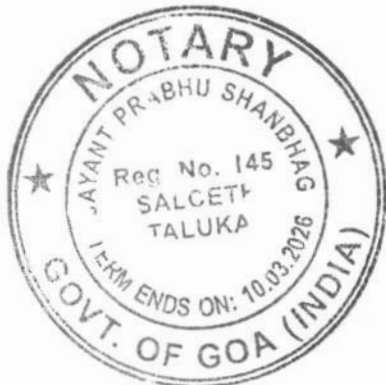
Equity Share Capital

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	2.89	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	-	-	-	-	2,895.35	(2.32)	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	0.57	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	0.57	18,110.01
Profit for the year	-	-	-	-	1,774.08	(2.27)	1,771.81
Other comprehensive income / (loss)	-	-	-	-	-	3.45	3.45
Total Comprehensive Income for the year	-	-	-	-	1,774.08	(2.27)	1,775.26
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

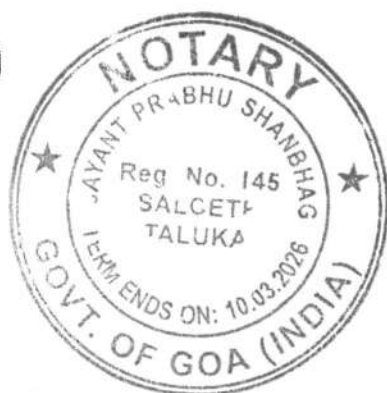


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Smartlink Holdings Limited  
Statement of Standalone Cash Flows for the year ended March 31, 2023  
(Amount in INR Lakhs, unless otherwise stated)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
<b>Cash flow from operating activities</b>		
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)	-
<b>Operating (loss) before working capital changes</b>	<b>(275.71)</b>	<b>(97.30)</b>
<b>Changes in working capital</b>		
(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)
<b>Cash generated from/(used in) operations</b>	<b>(1,935.87)</b>	<b>4,020.68</b>
Net Income tax paid	(375.19)	(129.50)
<b>Net cash flows from/(used in) operating activities (A)</b>	<b>(2,311.06)</b>	<b>3,891.18</b>
<b>Cash flow from Investing activities</b>		
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
<b>Net cash flows from/(used in) investing activities (B)</b>	<b>2,337.39</b>	<b>(4.86)</b>
<b>Cash flow from Financing activities</b>		
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)
<b>Net cash flows from/(used in) financing activities (C)</b>	<b>(21.93)</b>	<b>(3,895.53)</b>
<b>Net Increase / (Decrease) in cash and cash equivalents (A+B+C)</b>	<b>4.40</b>	<b>(9.21)</b>
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
<b>Cash and cash equivalents at the end of the year</b>	<b>35.51</b>	<b>31.10</b>
<b>Cash and cash equivalents comprise</b>		
Balances with banks		
On current accounts	33.50	28.88
Cash on hand	2.01	2.22
<b>Total cash and cash equivalents at end of the year</b>	<b>35.51</b>	<b>31.10</b>



## 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)	15.04

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 &amp; 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. Naik

Executive Chairman

DIN: 00002013

K.G. Prabhu

Chief Financial Officer

Place: Mumbai

Date: May 17, 2023

Arati Naik

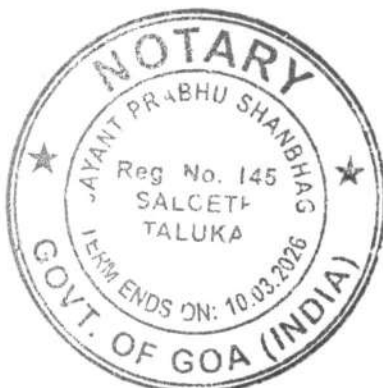
Executive Director

DIN: 06965985

Urjita Damle

Company Secretary

ICSI Membership No. 24654





**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 majorly 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.

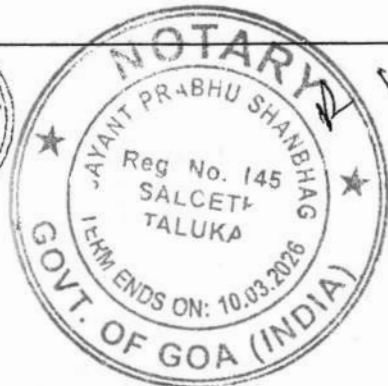
Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component 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 :

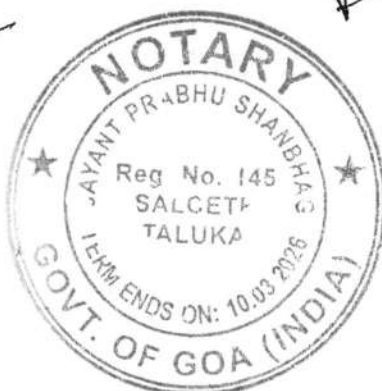
Intangible assets	Useful life (in years)
Computer Software (ERP)	3
Computer Software (other software)	4*
* Subject to license period	

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

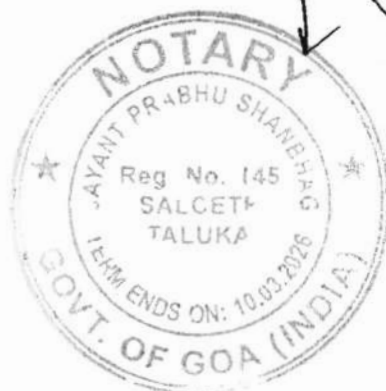
Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

## (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:

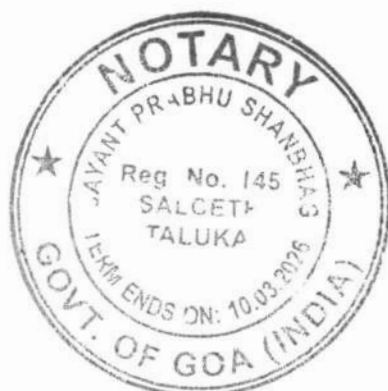
- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

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.



**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 thereto 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 :



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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)

## (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.



## 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
<b>Total</b>	<b>35.51</b>	<b>31.10</b>

## 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
<b>Total</b>	<b>803.58</b>	<b>1,082.58</b>

\* 1. 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.

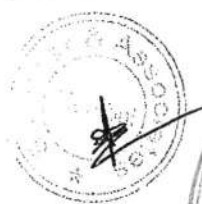
## 7 Receivables

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Others Receivables</b>		
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
<b>Total Receivables</b>	<b>55.36</b>	<b>75.38</b>

## 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	-	-
<b>Total</b>	<b>55.36</b>	<b>75.38</b>

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)

8 Other Financial assets

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits (Gross)	7.93	31.92
Less: Provision for impairment loss	-	(7.99)
Security Deposits (Net)	7.93	23.93
Advance to employees	1.45	1.30
Total	9.38	25.23

9 Current Tax assets (Net)

Particulars	As at March 31, 2023	As at March 31, 2022
Advance income tax (net of provisions for taxation of INR 1,051.50 lakhs (March 31, 2022: INR 1,966.33 lakhs)	147.21	56.75
Total	147.21	56.75



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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)

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	1,537.31	-
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)	19,312.33	17,162.70
Less: Allowance for Impairment loss (B)	(1,790.21)	(2,115.18)
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	4,29,59,857	4,10,00,000	4,471.12	4,288.36
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	-	296.54
Total - Gross				7,031.71	6,140.86
Less: Allowance for Impairment loss				(1,790.21)	(2,065.88)
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 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 DDB tier -II 0.00%	1,00,000	-	365	-	348.54
Tata Sons Ltd NCD - 9.54%	10,00,000	-	15	-	163.53
M&M 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-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 MLD	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



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	-
3 Investments measured at Fair Value through Profit or Loss					
Mutual funds (Unquoted)					
HDFC Mutual Fund					
HDFC Liquid Fund - Direct Plan - Growth	1,000	-	574.030	-	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	540.34
ICICI Prudential Corporate Bond Fund - Growth	10	21,17,912.167	24,35,703.391	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	78,693.354	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 pla.	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 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 - 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	19,40,480.415	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



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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 - 16.46%	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				(1,770.21)	(2,115.18)
Total Investments- Net				17,522.12	15,047.52
Aggregate book value of:					
Quoted Investments				4,551.90	5,056.62
Unquoted Investments				12,192.16	9,331.20
Aggregate market value of:					
Quoted Investments				4,364.52	4,840.31
Unquoted Investments				6,191.41	5,915.92

## Footnote:-

- Pursuant to the approval of Scheme of Amalgamation by National Company Law Tribunal - Mumbai Branch vide order dated March 03, 2023 one of the subsidiary Telesmart SCS 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.
- Fixed deposits are pledged against Loan obtained by Digisol Systems Limited (wholly owned subsidiary) (March 31, 2022 INR NIL).
- Investment in Bonds Includes accrued interest INR 174.68 in the current year and 210.83 lakhs in the previous year.





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)

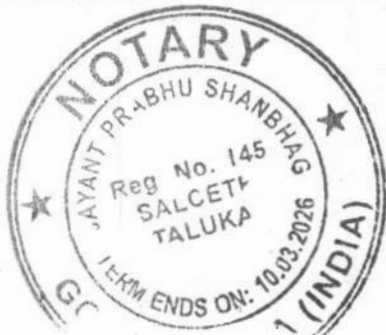
11 Investment Property

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 1,467.88 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 643.9 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.



## 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

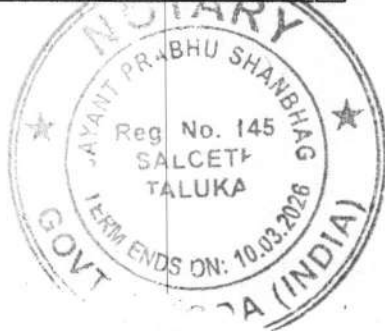
Particulars	Gross block			Depreciation			Net block	
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions/ Adjustments	As at March 31, 2023	As at March 31, 2022
Land-Freehold	87.91	-	-	87.91	87.91	-	87.91	-
Buildings-Own Use	1,377.68	-	-	1,377.68	610.63	33.94	644.57	767.05
Furniture and Fixtures	198.96	7.89	-	206.85	198.19	0.45	198.64	0.77
Vehicles	28.02	111.56	7.31	132.27	22.03	14.66	29.38	5.99
Office Equipment	120.29	1.33	-	121.62	119.02	0.70	119.72	1.27
Electrical installations	395.63	-	-	395.63	392.34	1.01	393.35	3.29
Air conditioners	350.05	1.04	-	351.09	335.61	3.06	338.67	14.44
Computers	22.20	-	-	22.20	18.64	1.37	20.01	3.56
Right-of-use assets (Refer note 36)	73.34	-	56.47	16.87	29.32	7.59	12.44	44.02
Total	2,654.08	121.82	63.78	2,712.12	1,813.69	62.78	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	As at April 01, 2021	Additions/ Adjustments	As at March 31, 2022	As at April 01, 2021
Land-Freehold	236.29	-	148.38	87.91	87.91	-	87.91	148.38
Buildings-Own Use	1,431.27	-	53.59	1,377.68	586.50	33.94	610.63	844.77
Furniture and Fixtures	200.01	0.24	1.29	198.96	199.22	0.26	198.19	0.79
Vehicles	28.02	-	-	28.02	17.67	4.36	22.03	10.35
Office Equipment	119.86	0.43	-	120.29	118.69	0.33	119.02	1.17
Electrical installations	395.63	-	-	395.63	391.59	0.75	392.34	4.04
Air conditioners	349.51	0.54	-	350.05	330.59	5.02	335.61	18.92
Computers	18.09	4.11	-	22.20	18.09	0.55	18.64	-
Right-of-use assets (Refer note 36)	73.34	-	-	73.34	10.32	19.00	29.32	63.02
Total	2,852.02	5.32	203.26	2,654.08	1,760.58	64.21	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.



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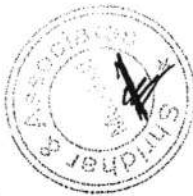
Smartlink Holdings Limited  
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023  
(Amount in INR Lakhs, unless otherwise stated)

13 Intangible assets

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
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	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2022	As at April 01, 2021
Computer Software	95.96	-	-	95.96	4.65	-	-	4.65
Total	95.96	-	-	95.96	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.



## 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
<b>Total</b>	<b>77.61</b>	<b>64.85</b>

## 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
<b>Total</b>	<b>115.64</b>	<b>44.44</b>

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
<b>Total</b>	<b>115.64</b>	<b>44.44</b>

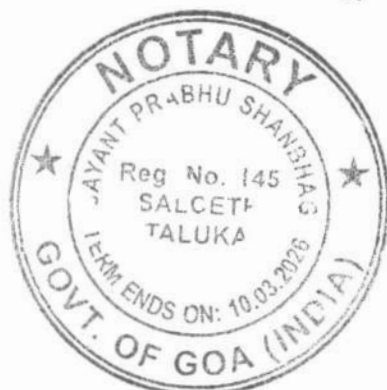
## 16 Borrowings (Other than Debt Securities)

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

## 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
<b>Total</b>	<b>77.27</b>	<b>52.77</b>

\* 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
<u>Authorized</u>		
3,50,00,000 Equity Shares of INR 2/- each	700.00	700.00
	700.00	700.00
<u>Issued, Subscribed and paid up</u>		
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. 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%



## 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	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%	

## 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
FVTOCI Reserve on Financial Instruments	-	2.27
FVTOCI Reserve on defined benefit plans	4.02	0.57
Total	19,885.27	18,110.01



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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)

(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 / (less): 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 / (less): 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.





## 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	0.46
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

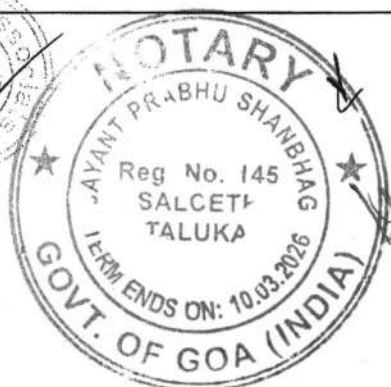
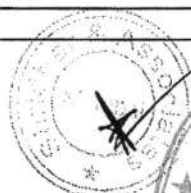
Footnote :-

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
<b>Total</b>	<b>0.26</b>	<b>4.78</b>

28 Employee Benefits Expenses

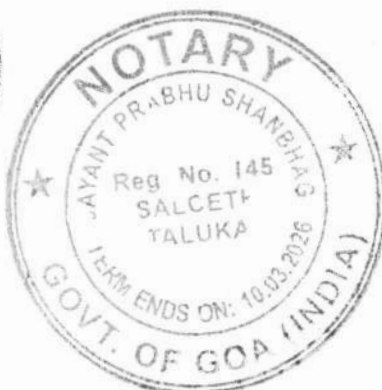
Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Salaries and wages	264.97	257.54
Contribution to provident and other funds (Refer Note 35)	6.81	7.12
Gratuity expenses (Refer Note 35)	1.79	1.32
Staff welfare expenses	12.34	10.50
<b>Total</b>	<b>285.91</b>	<b>276.48</b>

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
<b>Total</b>	<b>102.22</b>	<b>108.31</b>

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
<b>Total</b>	<b>679.13</b>	<b>385.18</b>



## 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



## 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

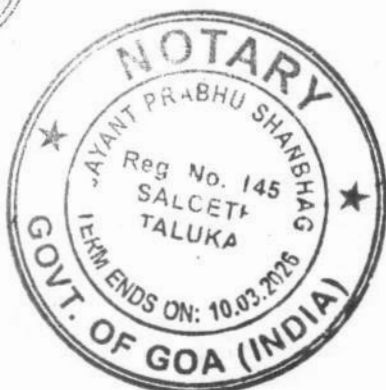
Particulars	As at March 31, 2023	As at March 31, 2022
Estimated amount of contracts remaining to be executed on capital account	.	275.04
Non-cancellation lease liabilities undiscounted basis net of liability recognised (Refer Note 36)	719.95	734.22

## 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 : 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
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	26.87	22.93	27.00
Change in salary escalation rate	26.86	22.23	27.02	22.88

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. Baliga - Non Executive Independent Director

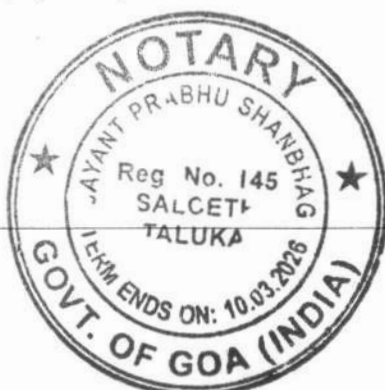
Mr. Pradeep A. Rane - Non Executive Independent Director

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



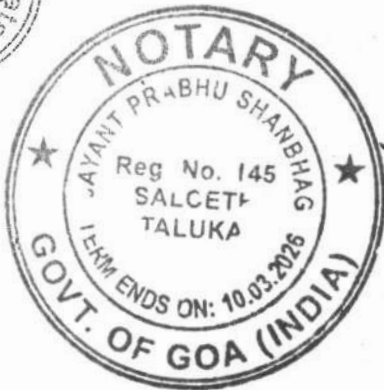


Smartlink Holdings Limited  
Notes forming part of the Standalone Financial Statements for the year ended March 31, 2023  
(Amount in INR Lakhs, unless otherwise stated)

Relatives of key management personnel :  
Ms. Arati K. Naik  
Mrs. Sudha K. Naik  
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, 2021			For the year ended March 31, 2022		
	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 EMS Limited	35.75	-	-	-	-	-
Rent Expense						
Digisol Systems Limited	2.16	-	-	-	-	-
Rent Written off						
Digisol Systems Limited	32.72	-	-	-	-	-
Synegra EMS Limited	25.44	-	-	-	-	-
Purchase of Networking Products						
Digisol Systems Limited	0.77	-	-	1.07	-	-
Charged towards CSR expenses						
Digisol Systems Limited	-	-	-	1.03	-	-
Investment in Subsidiary						
Synegra EMS 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	-	-	16.23	-	-	13.59
Short-term employee benefits	-	-	0.22	-	-	0.22
Post-employment benefits	-	-	-	-	-	-
Director Sitting Fees						
Mr. Krishnand M. Gaonkar	-	-	5.55	-	-	2.50
Mr. Pankaj M. Baliga	-	-	6.05	-	-	3.00
Mr. Pradeep A. Rane	-	-	3.50	-	-	2.50
Mr. Bhanubhai R. Patel	-	-	3.50	-	-	3.00
Mr. Pradeep G. Pande	-	-	-	-	-	2.00
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
Bank Guarantee given during the year on behalf of						
Digisol Systems Limited	5,000.00	-	-	2,000.00	-	-
Synegra EMS Limited	1,570.00	-	-	1,300.00	-	-
Bank Guarantee revoked during the year						
Digisol Systems Limited	2,000.00	-	-	2,000.00	-	-
Synegra EMS Limited	1,370.00	-	-	-	-	-



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
Telesmart SCS Limited	-	32.72
Amount of Corporate Guarantee given and outstanding as on:		
Subsidiary Companies:		
Digisol Systems Limited	5,000.00	2,000.00
Synegra EMS Limited	1,570.00	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
<b>Financial assets measured at amortized cost</b>			
Investments in Debt securities	Level 3	4,551.90	5,056.62
Fixed Deposits	Level 3	1,537.31	-
Security Deposits	Level 3	7.93	23.93
<b>Financial assets measured at fair value</b>			
(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	-	49.30
Investments in Debt securities			
<b>Financial liabilities measured at amortized cost</b>			
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.

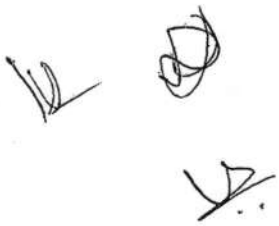
(ii) Price risk

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.



**Smartlink Holdings Limited**

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

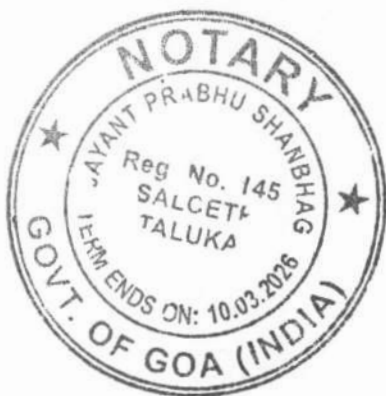
(Amount in INR Lakhs, unless otherwise stated)

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.





## 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	2-3years	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	2-3years	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.



## 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/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)

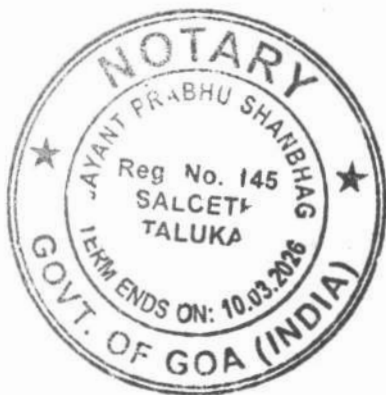
2. Tier I CRAR

3. Tier II CRAR

4. Liquidity Coverage Ratio.



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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
<b>Financial assets</b>						
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	6,701.38	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
<b>Non Financial Assets</b>						
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
<b>Total Assets</b>	<b>6,860.65</b>	<b>13,945.59</b>	<b>20,806.24</b>	<b>6,087.51</b>	<b>12,819.84</b>	<b>18,907.35</b>
<b>Financial liabilities</b>						
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
<b>Non financial liabilities</b>						
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
<b>Total Liabilities</b>	<b>170.98</b>	<b>550.49</b>	<b>721.47</b>	<b>116.01</b>	<b>481.83</b>	<b>597.84</b>
<b>Net</b>	<b>6,689.67</b>	<b>13,395.10</b>	<b>20,084.77</b>	<b>5,971.50</b>	<b>12,338.01</b>	<b>18,309.51</b>

## B 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)

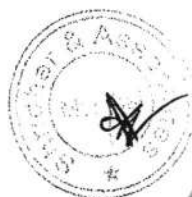
Not Applicable

## (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

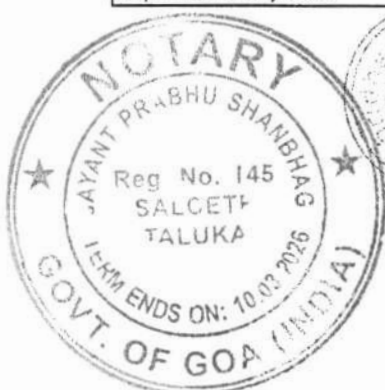
D. Details related to amount spent

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
PY Excess adjusted during the CY	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 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 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. 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



## ***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.

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## **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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## **Shridhar & Associates**

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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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## **Shridhar & Associates**

### **Chartered Accountants**

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**

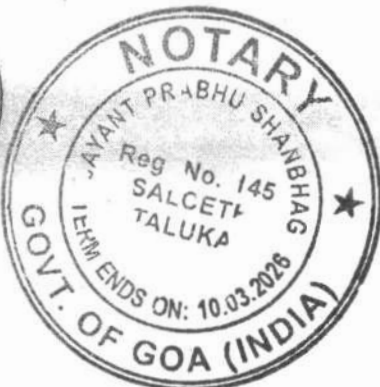
- (a) We did not audit the financial statements of two subsidiaries whose financial statements reflect total assets of Rs. 11,584.43 lakhs as at March 31, 2023, total revenue of Rs. 20,452.23 lakhs and total net profit after tax of Rs. 368.41 lakhs and net cash outflows amounting to Rs. 22.63 lakhs for 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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## **Shridhar & Associates** **Chartered Accountants**

- 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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## Shridhar & Associates Chartered Accountants

- (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.

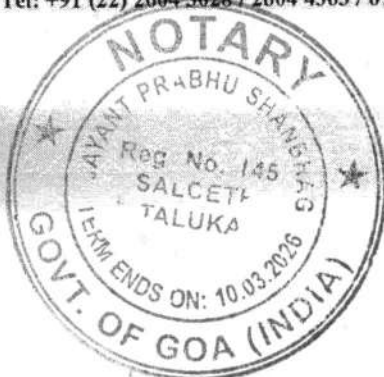
For Shridhar & Associates  
Chartered Accountants  
ICAI Firm Registration No. 134427W

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



Place: Mumbai  
Date: May 17, 2023

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## ***Shridhar & Associates*** ***Chartered Accountants***

### **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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## ***Shridhar & Associates*** ***Chartered Accountants***

### **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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## ***Shridhar & Associates*** ***Chartered Accountants***

### **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*  
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 in INR lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>ASSETS</b>			
<b>Financial Assets</b>			
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
<b>Non-financial Assets</b>			
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
<b>Total Assets</b>		<b>26,162.86</b>	<b>20,887.63</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>Financial Liabilities</b>			
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
<b>Non-Financial Liabilities</b>			
Provisions	19	144.25	97.86
Other non-financial liabilities	20	194.69	72.47
<b>EQUITY</b>			
Equity share capital	21	199.50	199.50
Other equity	22	18,150.80	16,300.57
Non-controlling interest	23	-	(4.81)
<b>Total Liabilities and Equity</b>		<b>26,162.86</b>	<b>20,887.63</b>
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 &amp; Associates

Chartered Accountants

ICAI Firm Registration No.: 134427W

*Abhishek Pachlangia*  
 Abhishek Pachlangia  
 Partner  
 Membership No. 120593



*Abhishek Pachlangia*  
 Place: Mumbai  
 Date: May 17, 2023



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

CIN : L67100GA1993PLC001341

*K.R. Naik*  
 K.R. Naik  
 Executive Chairman  
 DIN: 00002013

*Arati Naik*  
 Arati Naik  
 Executive Director  
 DIN: 06965985

*K.G. Prabhu*  
 K.G. Prabhu  
 Chief Financial Officer

*Urjita Damle*  
 Urjita Damle  
 Company Secretary  
 ICSI Membership No. 24654

Place: Mumbai  
 Date: May 17, 2023





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SMARTLINK HOLDINGS LIMITED

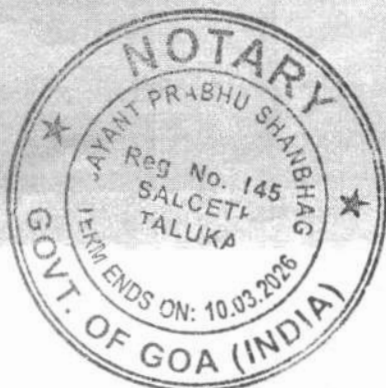
Consolidated Statement of Profit and loss for the year ended March 31, 2023

(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	444.78	499.20
Rental Income		69.32	37.73
Net gain on fair value changes	25	317.78	342.48
Revenue from contracts with customer	26	15,473.38	7,070.77
Total Revenue from operations		16,305.26	7,950.18
Other Income	27	128.68	92.96
Total Income		16,433.94	8,043.14
Expenses			
Finance costs	28	171.91	70.86
Impairment of financial instruments	29	0.26	4.78
Purchase of Stock-in-trade	30	7,899.88	2,439.35
Cost of raw material consumed	31	5,814.83	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	1,838.85	945.23
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	9.90
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 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

Arati Nalk  
Executive Director  
DIN: 06965935

K.G. Prabhu  
Chief Financial Officer

Urjita Damle  
Company Secretary  
ICSI Membership No. 24654

Place: Mumbai  
Date: May 17, 2023





## 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 asset	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



## 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

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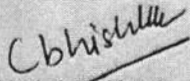
The accompanying notes are an integral part of the financial statements

As per my report of even date

For Shridhar & Associates


Chartered Accountants

ICAI Firm Registration No.: 134427W

  
Abhishek Pachlangia  
Partner  
Membership No. 120593

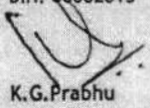



For and on behalf of the Board of Directors of  
Smartlink Holdings Limited  
CIN : L67100GA1993PLC001341

  
K.R. Naik  
Executive Chairman  
DIN: 00002013

  
Arati Naik  
Executive Director  
DIN: 06965985



  
K.G. Prabhu  
Chief Financial Officer

  
Urjita Damle  
Company Secretary  
ICSI Membership No. 24654

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	-	-	66.50	-	(3,158.75)	-	-	(3,092.25)	-
Expenses for buyback of equity shares	-	-	-	-	(704.57)	-	-	(704.57)	-
Transfer to Statutory Reserve	-	579.07	-	-	(579.07)	-	-	-	-
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 INR, 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 majorly 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.

Telesmart SCS 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.

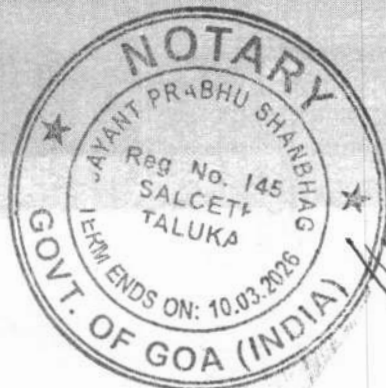
### 2.2 Principles of consolidation

#### 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.



**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





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	5

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

## 2.7 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 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 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).

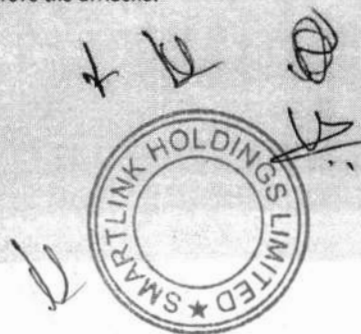
If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently 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 forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR, 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**

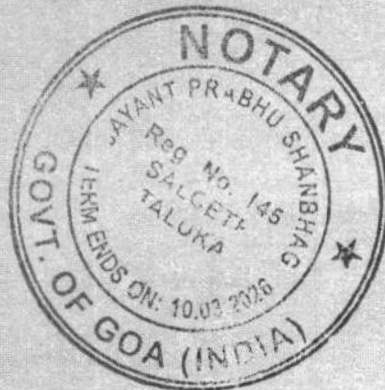
Deferred tax is recognised on temporary differences, being differences between the carrying amount of assets and liabilities and corresponding tax bases used in the computation of taxable profit. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the 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 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 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 forming part of the Consolidated Financial Statements for the year ended 31 March 2023

(Amount in INR, 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 assets 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 assets 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

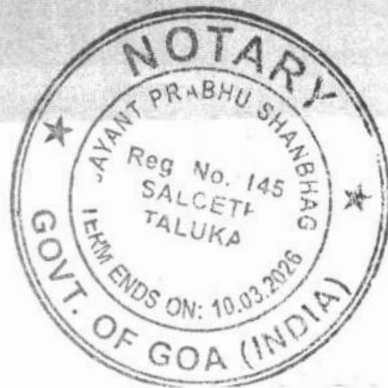
At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term. In case of a finance lease, finance income is recognised over 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 forming part of the Consolidated Financial Statements for the year ended 31 March 2023  
(Amount in INR, unless otherwise stated)

**Operating leases**

**As a lessee:**

For 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 a 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.

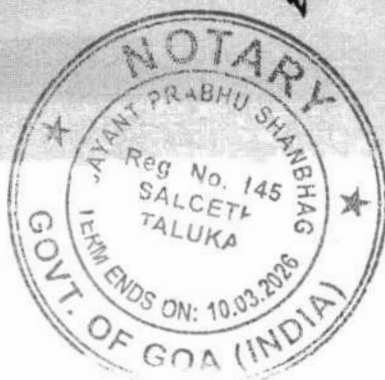
Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from 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.





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 AS103 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.

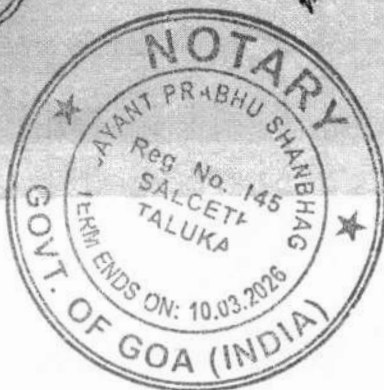
If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative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





## SMARTLINK HOLDINGS LIMITED

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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 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 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.

## (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.





## SMARTLINK HOLDINGS LIMITED

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(Amount in INR, unless otherwise stated)

## (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 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.

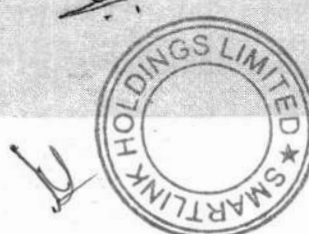
## (ii) Defined benefit plans

## 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.





**SMARTLINK HOLDINGS LIMITED**

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

(Amount in INR, 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 thereto 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

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





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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, unless otherwise stated)

(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 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

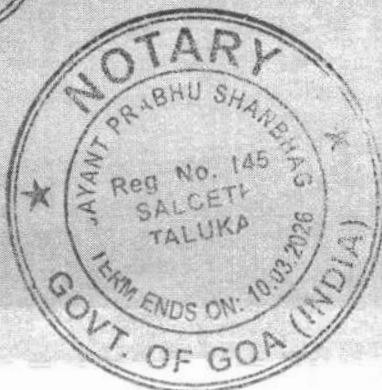
- \* Includes INR 72.45 lakhs (March 31, 2022 INR 72.45 lakhs) held as margin money against bank guarantee.
2. Includes INR NIL (March 31, 2022 INR 940.00 lakhs) held against corporate guarantee to bank for credit facilities
3. Includes INR 660.00 lakhs (March 31, 2022 INR Rs. 967.12 lakhs) fixed deposits 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

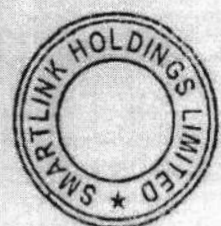
Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits (gross)	28.13	37.23
Less: Provision for impairment loss	-	(7.99)
Security Deposits (net)	28.13	29.24
Advance to employees	5.89	8.57
Production Linked Incentive Receivable	280.00	135.77
Total	314.02	173.58

## 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



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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)

10 Investment property

Particulars	As at March 31, 2023			As at March 31, 2022		
	Amount		Total	Amount		Total
	Land	Building		Land	Building	
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.





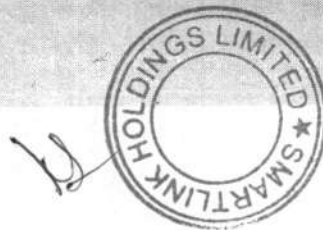
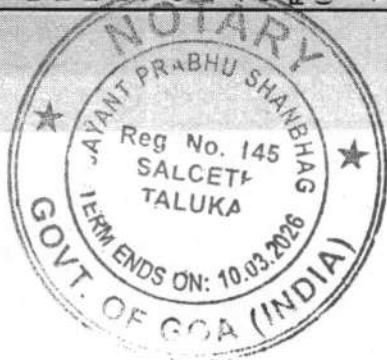
## 11 Property, plant and equipment

Particulars	Gross Block			Depreciation			Net Block	
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2023	As at April 01, 2022	Additions/ 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	900.35	47.10	842.37	889.47
Plant and equipment	2,197.70	256.37	476.23	1,977.84	1,413.09	136.22	904.76	784.61
Furniture and fixture	297.88	15.74	-	313.62	295.26	1.28	17.08	2.62
Vehicles	28.02	111.56	7.31	132.27	22.03	14.66	102.89	5.99
Office equipment	145.01	1.33	-	146.34	141.62	1.36	3.36	3.39
Electrical installations	416.55	11.66	-	428.21	409.26	1.89	17.06	7.29
Air conditioners	358.36	15.42	-	373.78	342.69	3.46	27.63	15.67
Computers	281.51	-	-	281.51	246.03	15.22	20.26	35.48
Right of use assets (refer note 43)	180.02	227.80	83.82	324.00	67.45	48.31	268.08	112.57
<b>Total</b>	<b>5,782.78</b>	<b>639.88</b>	<b>567.36</b>	<b>5,855.30</b>	<b>3,925.69</b>	<b>269.50</b>	<b>2,203.49</b>	<b>1,857.09</b>

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-Freehold	236.29	-	148.38	87.91	87.91	-	-	148.38
Buildings-Own Use	1,843.40	-	53.58	1,789.82	863.05	47.10	889.47	980.35
Plant and equipment	1,821.82	375.88	-	2,197.70	1,315.00	98.09	784.61	506.82
Furniture and fixture	298.93	0.24	1.29	297.88	295.65	0.90	2.62	3.28
Vehicles	28.02	-	-	28.02	17.67	4.36	5.99	10.35
Office equipment	143.41	1.60	-	145.01	140.47	1.15	3.39	2.94
Electrical installations	416.55	-	-	416.55	407.87	1.39	7.29	8.68
Air conditioners	357.49	0.87	-	358.36	337.37	5.32	15.67	20.12
Computers	236.52	45.46	0.47	281.51	233.50	12.96	35.48	3.02
Right of use assets (refer note 43)	180.02	-	-	180.02	37.99	29.46	112.57	142.03
<b>Total</b>	<b>5,562.45</b>	<b>424.05</b>	<b>203.72</b>	<b>5,782.78</b>	<b>3,736.48</b>	<b>200.73</b>	<b>1,857.09</b>	<b>1,825.97</b>

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)

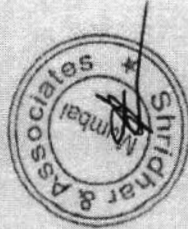
12 Intangible assets

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
<b>Total</b>	<b>214.09</b>	<b>-</b>	<b>-</b>	<b>214.09</b>	<b>210.38</b>	<b>3.71</b>	<b>-</b>	<b>3.71</b>

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	176.18	5.94
Technical know-how	37.75	-	-	37.75	26.65	7.55	34.20	11.10
<b>Total</b>	<b>214.09</b>	<b>-</b>	<b>-</b>	<b>214.09</b>	<b>197.05</b>	<b>13.33</b>	<b>210.38</b>	<b>17.04</b>

Note:

(a) The group 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 Consolidated Financial Statements for the year ended 31 March 2023

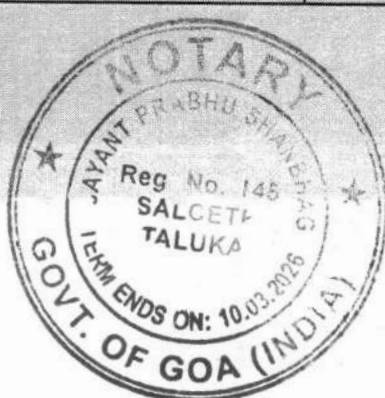
(Amount in INR lakhs, unless otherwise stated)

## 13 Investments

Particulars	As at March 31, 2023	As at March 31, 2022
Investments measured at amortised cost		
Debt securities	4,551.90	5,056.62
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
<b>Total - Gross (A)</b>	<b>12,280.62</b>	<b>11,021.84</b>
Less: Allowance for Impairment loss (B)	-	(49.30)
<b>Total - Net (A)-(B)</b>	<b>12,280.62</b>	<b>10,972.54</b>
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 DDB tier -II 0.00%	1,00,000	-	365	-	348.54
Tata Sons Ltd NCD - 9.54%	10,00,000	-	15	-	163.53
M&M 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 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 MLD	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	-



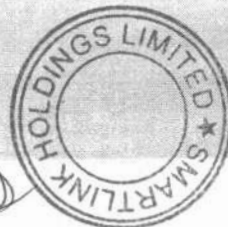
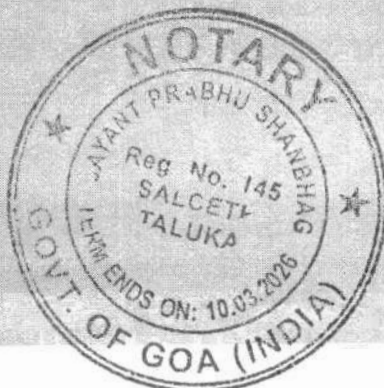


## SMARTLINK HOLDINGS LIMITED

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)					
HDFC Mutual Fund					
HDFC Liquid Fund - Direct Plan - Growth	1,000	-	574.030	-	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	540.34
ICICI Prudential Corporate Bond Fund - Growth	10	21,17,912.2	24,35,703.391	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	51,205.961	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	1,75,327.342	-	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 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





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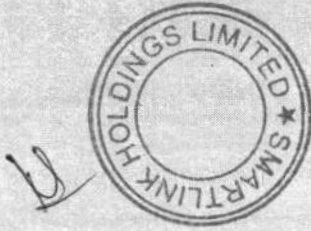
SMARTLINK HOLDINGS LIMITED  
 Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023  
 (Amount in INR lakhs, unless otherwise stated)

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	5,056.62
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

(Valued 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	405.59
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

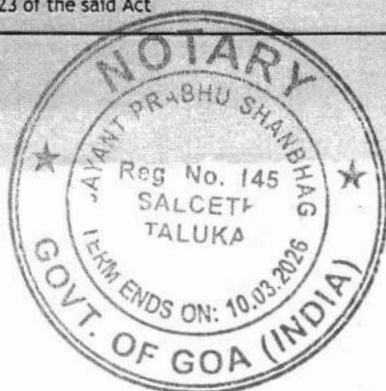
## 16 Trade payables

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





## 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
<b>Borrowings measured at Amortised Cost</b>		
<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
<b>Total</b>	<b>3,366.66</b>	<b>2,527.89</b>
Borrowings in India	3,366.66	2,527.89
Borrowings outside India	-	-
<b>Total</b>	<b>3,366.66</b>	<b>2,527.89</b>

## 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.

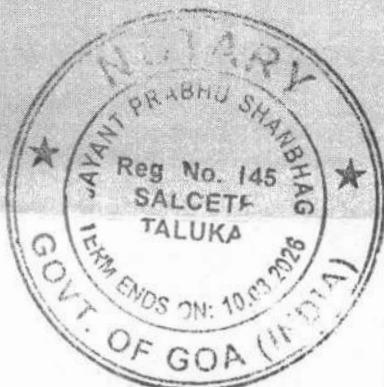
Unsecured Loan

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	-
<b>Total</b>	<b>400.97</b>	<b>455.65</b>

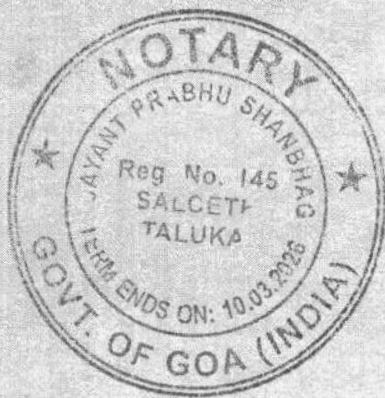
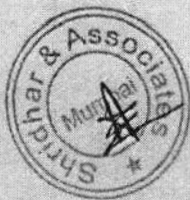
# During the year INR 1.42 lakhs (March 31, 2022 INR 1.43 lakhs) was transferred to the Investor Education and Protection Fund.



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)	36.66	31.32
Provision for Warranty (Refer note 39)	36.62	27.32
Total	144.25	97.86





## 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
<b>Authorized</b>		
3,50,00,000 Equity Shares of INR 2/- each	700.00	700.00
	700.00	700.00
<b>Issued, Subscribed and paid up</b>		
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.





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

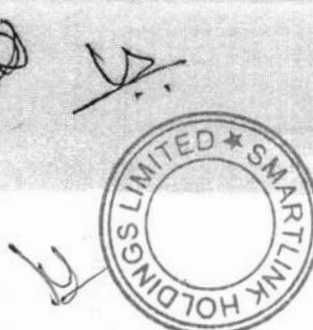
(f) Details of Shares held by Promoters at the end of the year

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

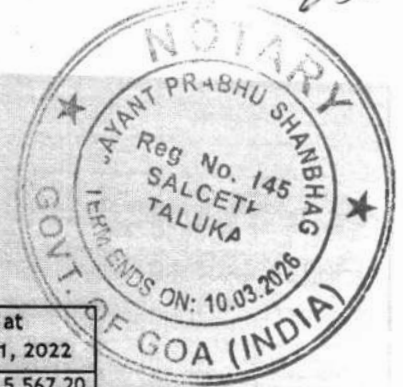
Particulars	As at March 31, 2023	As at March 31, 2022
General Reserve	5,567.20	5,567.20
Capital Redemption Reserve	400.60	400.60
Capital Contribution	92.95	92.95
FVTOCI Reserve on financial instruments	-	2.27
FVTOCI Reserve on defined benefit plans	(52.32)	(22.95)
Statutory Reserve	1,254.32	899.50
Surplus 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.		



*[Handwritten signatures and initials]*





**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 FVTOCI		
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
<b>Total</b>	<b>444.78</b>	<b>499.20</b>

**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
<b>Total</b>	<b>317.78</b>	<b>342.48</b>
Fair Value changes:		
-Realised	199.44	686.28
-Unrealised	118.34	(343.80)
<b>Total</b>	<b>317.78</b>	<b>342.48</b>

\*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	698.07	569.72
Royalty Income	141.35	340.20
<u>Other Operating Activities</u>		
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
<b>Total</b>	<b>15,473.38</b>	<b>7,070.77</b>

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 they transfer 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



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	-	15.70
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)	51.71	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	586.70	244.46
Add: Purchases	6,275.69	2,946.72
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	2.50
- 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)



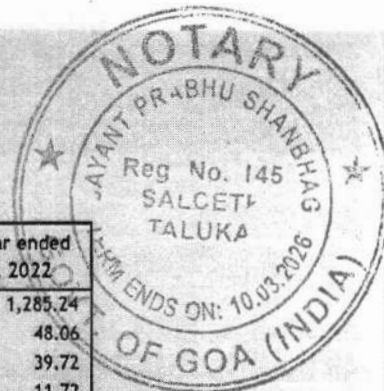


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## SMARTLINK HOLDINGS LIMITED

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

(Amount in INR lakhs, unless otherwise stated)



## 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
<b>Total</b>	<b>1,653.07</b>	<b>1,384.74</b>

## 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
<b>Total</b>	<b>298.60</b>	<b>239.46</b>

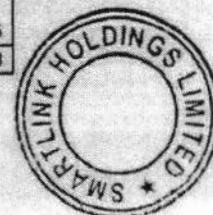
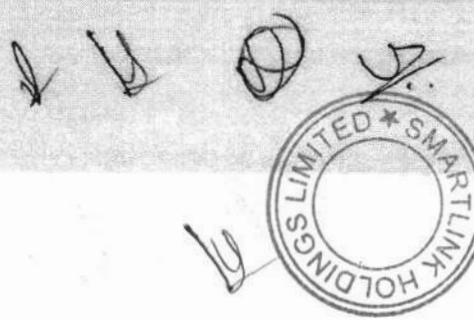
## 35 Other expenses

Particulars	For the Year ended March 31, 2023	For the year ended March 31, 2022
Lease Rent and License Fees	36.77	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
<b>Total</b>	<b>1,838.85</b>	<b>945.23</b>

## 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
<b>Total</b>	<b>26.94</b>	<b>23.33</b>

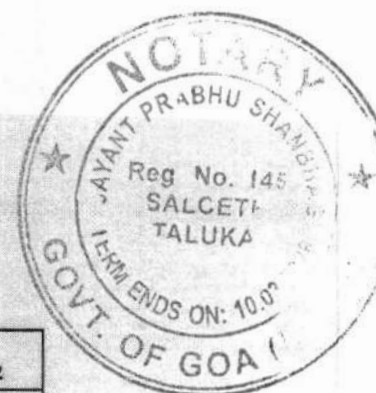




**SMARTLINK HOLDINGS LIMITED**

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
<b>Deferred tax assets</b>		
On account of timing difference in retrial 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, 1961	14.95	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
<b>Deferred tax liabilities</b>		
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
<b>Deferred tax liability (Net)</b>	<b>267.03</b>	<b>327.21</b>

(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	(81.89)
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)



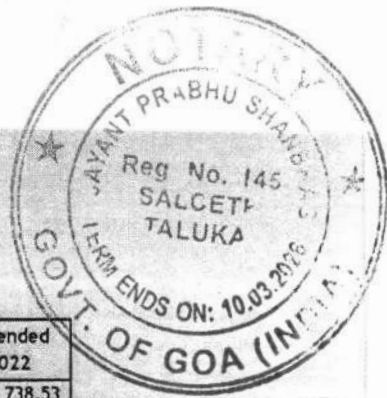
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SMARTLINK HOLDINGS LIMITED

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

(Amount in INR lakhs, unless otherwise stated)



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(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:		
- Item not deductible for tax	105.07	(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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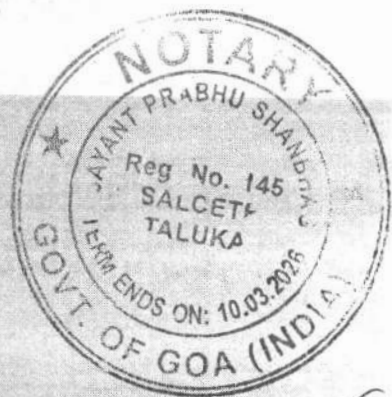




**SMARTLINK HOLDINGS LIMITED**

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





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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)

## 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

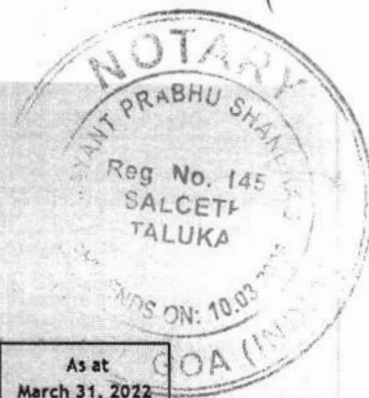
## a) Gratuity payable to employees

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
1) Actuarial assumptions		
Discount rate (per annum)		
- Smartlink Holdings Limited	7.20%	7.27%
- 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) Ult	IALM (2012-14) Ult



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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)

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:

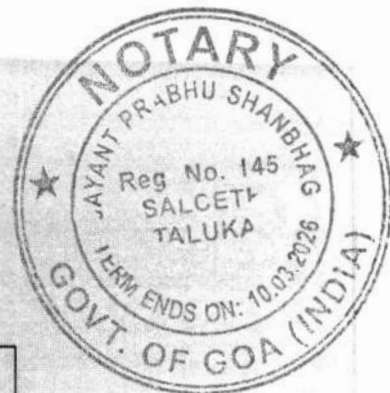
Particulars	As at March 31, 2023		As at March 31, 2022	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
1% Increase	161.29	200.25	121.74	152.44
1% decrease	200.27	160.99	152.33	121.41





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)



(ix) 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	6.66	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





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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)

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	72.30
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. Bhanubhai 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. Kunkolienkar - 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 Pandey - Non-Executive Director (ceased w.e.f January 04, 2022 - Smartlink Holdings Limited &amp; Synegra EMS Limited)

Mr. Natarajan Sankara - 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



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
<b>Salary</b>				
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	-	-
<b>Director Sitting Fees</b>				
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. Nitin A. Kuncolienkar		1.50		2.50
Mr. Nataranjan Sankara		-		0.50
Mr. Ray Chang		3.50		2.00
Mr. Prabodh Vyas		-		1.00
<b>Rent Expense</b>				
Ms. Aarti K. Naik	-	2.40	-	2.40
<b>Interest on Loan</b>				
Mr. Kamalaksha R. Naik	-	65.71	-	4.91
<b>Loan taken</b>				
Mr. Kamalaksha R. Naik	-	-	-	430.00
<b>Loan repaid</b>				
Mr. Kamalaksha R. Naik	-	480.00	-	500.00
<b>Consideration paid for Buyback of Shares</b>				
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. Kamalaksha 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:

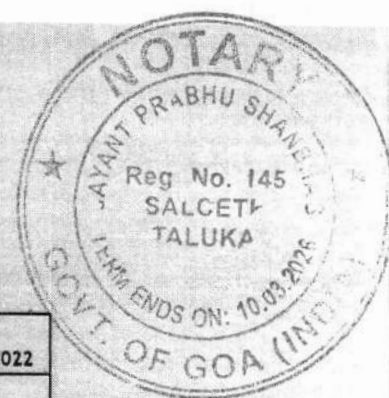
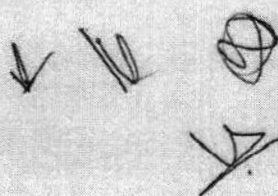
- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs 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
<b>FINANCIAL ASSETS</b>			
<b>Financial assets measured at amortized cost</b>			
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
<b>Financial assets measured at Fair Value through Other Comprehensive Income</b>			
Investments in Debt securities	Level 2	-	49.30
<b>Financial assets measured at fair value through profit or loss</b>			
Investments in mutual funds	Level 2	6,191.41	5,915.92
<b>FINANCIAL LIABILITIES</b>			
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



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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)

**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	1,165.81	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.



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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)

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 maybe 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.

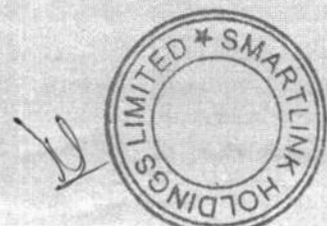
The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 and March 31, 2022 is the carrying amounts as mentioned in Note 5, 6, 7, 8, and 13.

**(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
<b>Segment Revenue (net):</b>		
(a) Investment	954.50	909.37
(b) Networking Products	15,490.18	7,103.23
<b>Total</b>	<b>16,444.69</b>	<b>8,012.60</b>
Less: Inter-segment Revenue	(139.42)	(62.42)
<b>Total Income from Operations (net)</b>	<b>16,305.26</b>	<b>7,950.18</b>

<b>Segment Profit / (Loss) before finance cost, tax and minority interest:</b>		
(a) Investment	1,854.28	115.44
(b) Networking Products	549.41	724.67
<b>Total</b>	<b>2,403.69</b>	<b>840.11</b>
Add/ (Less): Other un-allocable expenditure net-off un-allocable income	43.01	(30.72)
<b>Operating Profit / (Loss)</b>	<b>2,446.70</b>	<b>809.39</b>
Add / (Less):		
(i) Finance Costs (net)	(171.91)	(70.86)
(ii) Income Taxes	(350.85)	293.07
(iii) Share of loss attributable to Minority	-	7.14
<b>Profit / (Loss) after finance cost, tax and minority interest</b>	<b>1,923.94</b>	<b>1,038.74</b>

<b>Capital Employed</b>		
<b>Segment Assets</b>		
(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
<b>Total Assets</b>	<b>26,162.86</b>	<b>20,887.63</b>
<b>Less: Segment Liabilities</b>		
(a) Investment	321.05	275.70
(b) Networking Products	7,464.31	4,102.97
(c) Un-allocated	27.20	13.70
<b>Total Liabilities</b>	<b>7,812.56</b>	<b>4,392.37</b>
<b>Total Capital Employed</b>	<b>18,350.30</b>	<b>16,495.26</b>

<b>Capital expenditure</b>		
<b>Addition to fixed assets</b>		
(a) Investment	121.82	207.28
(b) Networking Products	518.06	418.73
(c) Un-allocated	-	-
<b>Total Assets</b>	<b>639.88</b>	<b>626.01</b>
<b>Depreciation and Amortisation</b>		
(a) Investment	102.22	108.31
(b) Networking Products	196.38	131.15
(c) Un-allocated	-	-
<b>Total</b>	<b>298.60</b>	<b>239.46</b>





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	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)

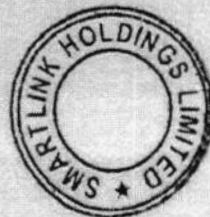
(B) Segment information for secondary segment reporting (by geographical segments)

The secondary reporting segment for the Group is the geographical segment based on location of customers, which is as follows:

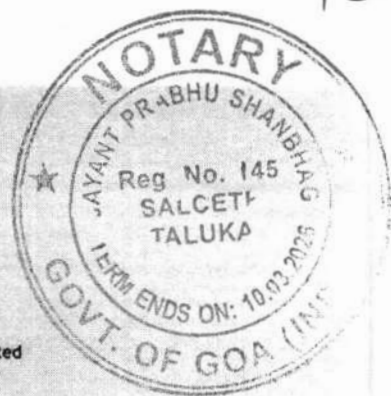
- i) Domestic
- ii) Export

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	540.59	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	2-3years	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	2-3years	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 Wilful Defaulter**

The Group has not been declared a wilful 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:

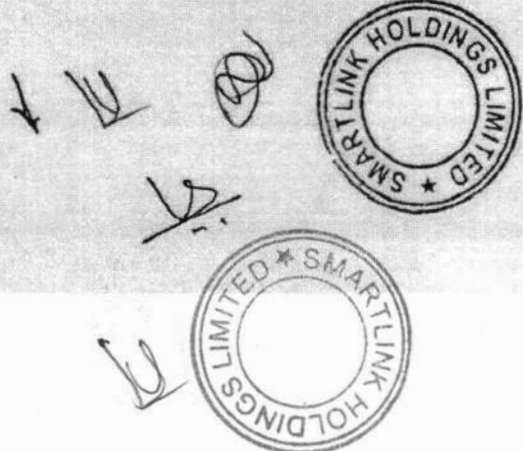
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(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:

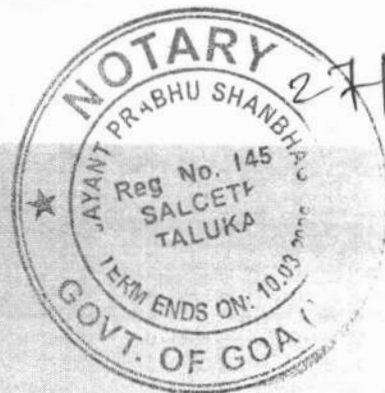
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

**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 INR 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 INR lakhs, unless otherwise stated)


**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)	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 PY Excess adjusted during the CY	10.67	12.89
Shortfall/(Excess) at the end of the year	0.24	1.11
Total of previous years shortfall expenditure	(0.71)	(0.24)

**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



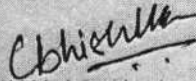




SMARTLINK HOLDINGS LIMITED  
Notes forming part of the Consolidated Financial Statements for the year ended 31 March 2023  
(Amount in INR lakhs, unless otherwise stated)

- 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 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 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. Naik  
Executive Chairman  
DIN: 08002013

  
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

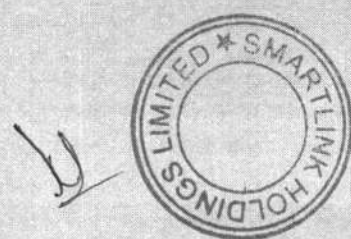
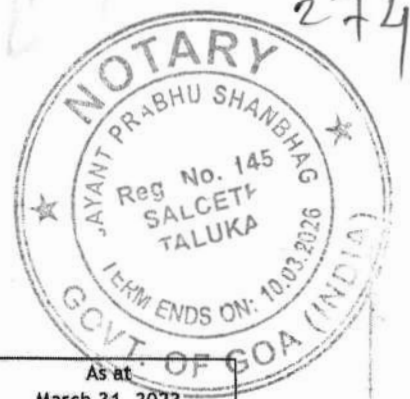


EXHIBIT-

D-1



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

Particulars	Note No.	As at December 31, 2023	As at March 31, 2023
<b>ASSETS</b>			
Financial Assets			
Cash and cash equivalents	1	28.97	35.51
Bank balance other than cash and cash equivalents	2	780.58	770.50
Receivables			
(i) Other Receivables	3	22.22	55.36
Loans	4	1,175.00	-
Investments	7	16,586.65	17,522.12
Other financial assets	5	48.40	42.46
Non-financial assets			
Tax assets (net)	6	185.77	147.21
Investment property	8	1,250.33	1,280.03
Property, plant and equipment	9	827.64	875.44
Other non-financial assets	11	82.41	77.61
<b>Total Assets</b>		<b>20,987.97</b>	<b>20,806.24</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
Financial Liabilities			
Trade payables	12	-	-
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		32.28	115.64
Borrowings (Other than debt securities)	13	145.41	147.31
Other financial liabilities	14	66.53	77.27
Non-Financial Liabilities			
Provisions	15	5.64	5.07
Deferred tax liabilities (net)		404.64	365.70
Other non-financial liabilities	16	7.35	10.48
<b>EQUITY</b>			
Equity share capital	17	199.50	199.50
Other equity	18	20,126.62	19,885.27
<b>Total Liabilities and Equity</b>		<b>20,987.97</b>	<b>20,806.24</b>

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

K.R. Naik  
 Executive Chairman  
 DIN: 00002013

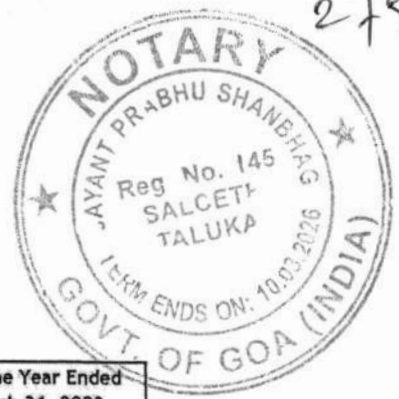
Arati Naik  
 Executive Director  
 DIN: 06965985

Place: Verna Goa  
 Date: February 09, 2024

Place: Verna Goa  
 Date: February 09, 2024








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

Particulars	Note No.	For the Period Ended December 31, 2023	For the Year Ended March 31, 2023
<b>Income</b>			
Revenue from operations			
Interest Income	19	431.79	427.97
Rental Income		159.00	196.50
Fees and commission Income	20	14.59	12.24
Net gain on fair value changes	21	325.57	317.78
<b>Total revenue from operations</b>		<b>930.95</b>	<b>954.49</b>
Other Income	22	4.34	150.69
<b>Total income</b>		<b>935.29</b>	<b>1,105.18</b>
<b>Expenses</b>			
Finance costs	23	10.44	16.69
Impairment on financial instruments	24	-	0.26
Employee benefits expenses	25	222.58	285.91
Depreciation and amortisation expense	26	79.45	102.22
Other expenses	27	299.48	679.13
<b>Total expenses</b>		<b>611.95</b>	<b>1,084.21</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>323.34</b>	<b>20.97</b>
Exceptional Items		-	2,091.57
<b>Profit / (Loss) before tax</b>		<b>323.34</b>	<b>2,112.54</b>
<b>Tax Expense:</b>			
- Current Tax		47.91	334.89
- Deferred Tax		38.07	53.29
- Taxes adjustment for earlier year		(1.40)	(49.72)
<b>Total tax expense</b>		<b>84.58</b>	<b>338.46</b>
<b>Profit / (Loss) for the year</b>		<b>238.76</b>	<b>1,774.08</b>
<b>Other Comprehensive Income</b>			
A. Items that will not be reclassified to profit or loss			
Re-measurement gains / (loss) on defined benefit plan		3.45	4.61
Income tax relating to above		(0.87)	(1.16)
<b>Subtotal (A)</b>		<b>2.58</b>	<b>3.45</b>
B. Items that will be reclassified to profit or loss			
Net fair value gain/ (loss) on financial instruments		-	-
Income tax relating to above		-	-
<b>Subtotal (B)</b>		<b>-</b>	<b>-</b>
<b>Other Comprehensive Income (A + B)</b>		<b>2.58</b>	<b>3.45</b>
<b>Total Comprehensive Income for the year</b>		<b>241.34</b>	<b>1,777.53</b>

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

  
K.R. Nalk  
Executive Chairman  
DIN: 00002013

  
Arati Nalk  
Executive Director  
DIN: 06965985



Place: Verna Goa      Place: Verna Goa  
Date: February 09, 2024      Date: February 09, 2024



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the period ended December 31, 2023

(Amount in INR Lakhs, unless otherwise stated)



1 Cash and cash equivalents

Particulars	As at December 31, 2023	As at March 31, 2023
Cash on hand	2.26	2.01
Balances with banks		
On current accounts	26.71	33.50
<b>Total</b>	<b>28.97</b>	<b>35.51</b>

2 Bank balances other than Cash and cash equivalent

Particulars	As at December 31, 2023	As at March 31, 2023
In Fixed deposit with maturity for more than 12 months	778.74	768.66
Unpaid dividend accounts	1.84	1.84
<b>Total</b>	<b>780.58</b>	<b>770.50</b>

3 Receivables

Particulars	As at December 31, 2023	As at March 31, 2023
Others Receivables		
Considered good, unsecured	22.22	55.36
From related parties :		
Digisol Systems Limited	6.11	16.98
Synegra EMS Limited	5.02	30.11
	11.13	47.09
From others:	11.09	8.27
<b>Total Receivables</b>	<b>22.22</b>	<b>55.36</b>

4 Loans

Particulars	As at December 31, 2023	As at March 31, 2023
Inter Corporate Deposit - Deposit with Digisol Systems Limited	1,175.00	-
<b>Total</b>	<b>1,175.00</b>	<b>-</b>

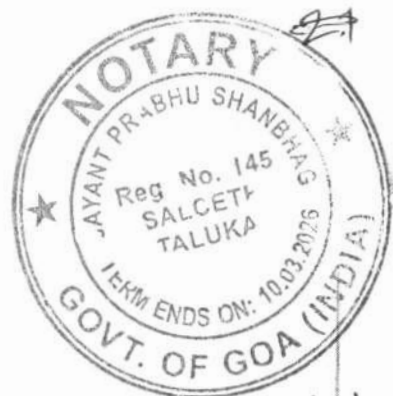
5 Other Financial assets

Particulars	As at December 31, 2023	As at March 31, 2023
Security Deposits (Gross)	8.10	7.93
Less: Provision for impairment loss	-	-
Security Deposits (Net)	8.10	7.93
Advance to employees	1.30	1.45
Accrued interest on fixed deposit	28.30	33.08
Accrued interest on inter corporate Deposit	10.70	-
<b>Total</b>	<b>48.40</b>	<b>42.46</b>

6 Current Tax assets (Net)

Particulars	As at December 31, 2023	As at March 31, 2023
Advance Income tax (net of provisions for taxation of INR 1,051.50 lakhs (March 31, 2023: INR 1,051.50 lakhs)	185.77	147.21
<b>Total</b>	<b>185.77</b>	<b>147.21</b>





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

7 Investments

Particulars	As at December 31, 2023	As at March 31, 2023
Investments measured at Cost		
Subsidiaries	7,041.45	7,031.71
Investments measured at amortised cost		
Debt securities	5,162.53	4,551.90
Fixed Deposits	1,079.42	1,537.31
Investments measured at Fair Value through Profit or Loss		
Mutual funds	5,093.46	6,191.41
Total - Gross (A)	18,376.86	19,312.33
Less: Allowance for Impairment loss (B)	(1,790.21)	(1,790.21)
Total - Net (A)-(B)	16,586.65	17,522.12
Investments outside India	-	-
Investments in India	16,586.65	17,522.12





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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the period ended December 31, 2023

(Amount in INR Lakhs, unless otherwise stated)

## 8 Investment Property

Particulars	Gross block				Depreciation				Net block	
	As at April 01, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at December 31, 2023	As at April 01, 2023	Additions/ Adjustments	Deductions/ Adjustments	As at December 31, 2023	As at December 31, 2023	As at March 31, 2023
Land	787.66	-	-	787.66	54.56	7.33	-	61.89	725.77	733.10
Building	957.95	-	-	957.95	411.02	22.37	-	433.39	524.56	546.93
Total	1,745.61	-	-	1,745.61	465.58	29.70	-	495.28	1,250.33	1,280.03

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	Deductions/ Adjustments	As at March 31, 2023	As at March 31, 2023	As at April 01, 2022
Land	936.04	-	148.38	787.66	44.82	9.74	-	54.56	733.10	891.22
Building	957.95	-	-	957.95	381.32	29.70	-	411.02	546.93	576.63
Total	1,893.99	-	148.38	1,745.61	426.14	39.44	-	465.58	1,280.03	1,467.85



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

9 Property, plant and equipment

Particulars	Gross block			As at December 31, 2023	Depreciation			As at December 31, 2023	Net block	
	As at April 01, 2023	Additions/ Adjustments	Deductions/ Adjustments		As at April 01, 2023	Additions/ Adjustments	Deductions/ Adjustments		As at December 31, 2023	As at March 31, 2023
Land-Freehold	87.91	-	-	87.91	87.91	-	-	87.91	-	-
Buildings-Own Use	1,377.68	-	-	1,377.68	644.57	25.57	-	670.14	707.54	733.11
Furniture and Fixtures	206.85	-	0.66	206.19	198.64	0.93	0.66	198.91	7.28	8.21
Vehicles	132.27	-	-	132.27	29.38	19.07	-	48.45	83.82	102.89
Office Equipment	121.62	-	-	121.62	119.72	0.58	-	120.30	1.32	1.90
Electrical installations	395.63	1.44	-	397.07	393.35	0.34	-	393.69	3.38	2.28
Air conditioners	351.09	0.51	30.49	321.11	338.67	2.10	30.49	310.28	10.83	12.42
Computers	22.20	-	-	22.20	20.01	1.03	-	21.04	1.16	2.19
Right-of-use assets	16.87	-	-	16.87	4.43	0.13	-	4.56	12.31	12.44
<b>Total</b>	<b>2,712.12</b>	<b>1.95</b>	<b>31.15</b>	<b>2,682.92</b>	<b>1,836.68</b>	<b>49.75</b>	<b>31.15</b>	<b>1,855.28</b>	<b>827.64</b>	<b>875.44</b>

Particulars	Gross block			As at March 31, 2023	Depreciation			As at March 31, 2023	Net block	
	As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments		As at April 01, 2022	Additions/ Adjustments	Deductions/ Adjustments		As at March 31, 2023	As at April 01, 2022
Land-Freehold	87.91	-	-	87.91	87.91	-	-	87.91	-	-
Buildings-Own Use	1,377.68	-	-	1,377.68	610.63	33.94	-	644.57	733.11	767.05
Furniture and Fixtures	198.96	7.89	-	206.85	198.19	0.45	-	198.64	8.21	0.77
Vehicles	28.02	111.56	7.31	132.27	22.03	14.66	7.31	29.38	102.89	5.99
Office Equipment	120.29	1.33	-	121.62	119.02	0.70	-	119.72	1.90	1.27
Electrical installations	395.63	-	-	395.63	392.34	1.01	-	393.35	2.28	3.29
Air conditioners	350.05	1.04	-	351.09	335.61	3.06	-	338.67	12.42	14.44
Computers	22.20	-	-	22.20	18.64	1.37	-	20.01	2.19	3.56
Right-of-use assets	73.34	-	56.47	16.87	29.32	7.59	32.48	4.43	12.44	44.02
<b>Total</b>	<b>2,654.08</b>	<b>121.82</b>	<b>63.78</b>	<b>2,712.12</b>	<b>1,813.69</b>	<b>62.78</b>	<b>39.79</b>	<b>1,836.68</b>	<b>875.44</b>	<b>840.39</b>

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, 2024 and March 31, 2023.



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

10 Intangible assets

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

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	Deductions/ Adjustments	As at March 31, 2023	As at April 01, 2022
Computer Software	95.96	-	-	95.96	95.96	-	-	95.96	-
Total	95.96	-	-	95.96	95.96	-	-	95.96	-

Note:

(a) The Company has not revalued any of its intangible assets during the years ended March 31, 2024 and March 31, 2023.





Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the period ended December 31, 2023

(Amount in INR Lakhs, unless otherwise stated)



## 11 Other Non Financial Assets

Particulars	As at December 31, 2023	As at March 31, 2023
Prepaid expenses	14.43	6.61
Surplus in Gratuity fund (funded)	14.75	12.50
Advance to vendor	7.19	7.33
Balance with government authorities	46.04	51.17
<b>Total</b>	<b>82.41</b>	<b>77.61</b>

## 12 Trade Payables

Particulars	As at December 31, 2023	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	32.28	115.64
<b>Total</b>	<b>32.28</b>	<b>115.64</b>

## 13 Borrowings (Other than Debt Securities)

Particulars	As at December 31, 2023	As at March 31, 2023
Borrowing measured at amortised cost		
Unsecured		
Lease liabilities	145.41	147.31
<b>Total</b>	<b>145.41</b>	<b>147.31</b>

## 14 Other Financial liabilities

Particulars	As at December 31, 2023	As at March 31, 2023
Deposits	21.23	20.17
Employee Payable	26.49	33.97
Unpaid dividend*	1.84	1.84
Financial Guarantee Obligation	7.85	12.71
Asset Retirement Obligation	9.12	8.58
<b>Total</b>	<b>66.53</b>	<b>77.27</b>

## 15 Provisions

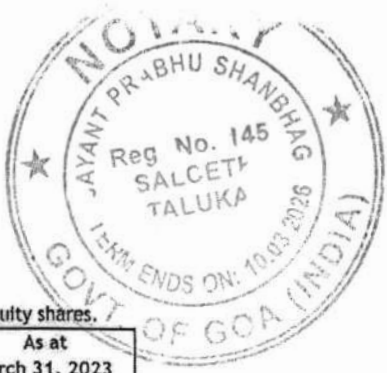
Particulars	As at December 31, 2023	As at March 31, 2023
Provision for gratuity (funded)	-	-
Provision for leave encashment (unfunded)	5.64	5.07
<b>Total</b>	<b>5.64</b>	<b>5.07</b>

## 16 Other Non Financial liabilities

Particulars	As at December 31, 2023	As at March 31, 2023
Statutory dues payable	2.18	4.14
Rent received in advance	5.17	6.34
<b>Total</b>	<b>7.35</b>	<b>10.48</b>



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



17 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 December 31, 2023	As at March 31, 2023
<u>Authorized</u>		
3,50,00,000 Equity Shares of INR 2/- each	700.00	700.00
	700.00	700.00
<u>Issued, Subscribed and paid up</u>		
99,75,000 Equity Shares of INR 2/- each, fully paid-up	199.50	199.50
Less: NIL (Previous Year: NIL) Equity Shares purchased under Buy-back scheme	-	-
<b>Total</b>	<b>199.50</b>	<b>199.50</b>

18 Other equity

Particulars	As at December 31, 2023	As at March 31, 2023
General Reserve	5,567.20	5,567.20
Surplus in Statement of Profit and Loss account	12,757.20	12,566.18
Statutory Reserve	1,302.07	1,254.32
Capital Contribution	92.95	92.95
Capital Redemption Reserve	400.60	400.60
FVTOCI Reserve on Financial Instruments	-	-
FVTOCI Reserve on defined benefit plans	6.60	4.02
<b>Total</b>	<b>20,126.62</b>	<b>19,885.27</b>

(A) General Reserve (GR)\*

Particulars	As at December 31, 2023	As at March 31, 2023
Opening balance	5,567.20	5,567.20
Add: Transfer from Surplus in Profit and Loss account	-	-
<b>Closing balance</b>	<b>5,567.20</b>	<b>5,567.20</b>

\* 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 December 31, 2023	As at March 31, 2023
Opening balance	12,566.19	11,146.92
Add : Net profit / (loss) for the year	238.76	1,774.08
Amount available for appropriations	12,804.95	12,921.00
Less : Appropriations		
Less: Transferred to Statutory Reserve	(47.75)	(354.82)
<b>Closing balance</b>	<b>12,757.20</b>	<b>12,566.18</b>

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

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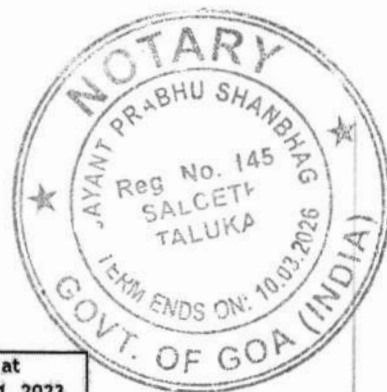
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Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the period ended December 31, 2023

(Amount in INR Lakhs, unless otherwise stated)



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

Particulars	As at December 31, 2023	As at March 31, 2023
Opening balance	1,254.32	899.50
Add: Transfer from surplus in statement of profit and loss account	47.75	354.82
Closing balance	1,302.07	1,254.32

\*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 December 31, 2023	As at March 31, 2023
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 December 31, 2023	As at March 31, 2023
Opening balance	400.60	400.60
Add: NIL Equity Shares (March 31, 2023 NIL) of INR 2/- each purchased under buyback scheme	-	-
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.

(F) FVTOCI Reserve on financial instruments\*

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

\* 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 December 31, 2023	As at March 31, 2023
Opening balance	4.02	0.57
Add / (less): Change during the year	2.58	3.45
Closing balance	6.60	4.02

\* 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.

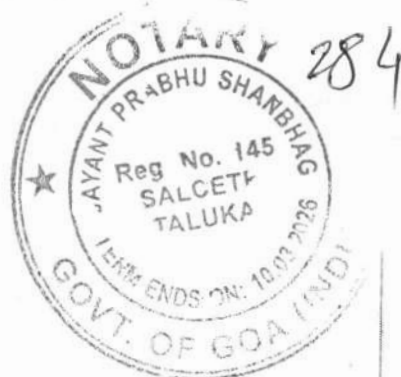




Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the period ended December 31, 2023

(Amount in INR Lakhs, unless otherwise stated)



19 Interest Income

Particulars	For the Period Ended December 31, 2023	For the Year Ended March 31, 2023
On financial assets measured at FVTOCI		
Interest on preference shares	-	2.53
	-	2.53
On financial assets measured at amortised cost		
Interest on bonds	267.08	349.68
Interest on deposits with banks	41.45	37.18
Interest on deposits with financial institutions	84.53	38.34
Interest on Inter Corporate Deposit	38.73	-
Other Interest income	-	0.24
	431.79	425.44
Total	431.79	427.97

20 Fees and commission Income

Particulars	For the Period Ended December 31, 2023	For the Year Ended March 31, 2023
Guarantee Commission Income	14.59	12.24
Total	14.59	12.24

21 Net Gain On Fair Value Changes\*

Particulars	For the Period Ended December 31, 2023	For the Year Ended March 31, 2023
On financial instruments designated at fair value through profit or loss	325.57	317.78
Total	325.57	317.78

22 Other Income

Particulars	For the Period Ended December 31, 2023	For the Year Ended March 31, 2023
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)	1.07	3.57
Sale of Scrap	1.63	-
Foreign Exchange gain - (net)	0.04	0.01
Reversal of impairment on financial instruments (refer foot note)	-	143.95
Security Deposit written off now received	0.32	-
Miscellaneous Income	1.28	-
Total	4.34	150.69

Footnote :-

During the previous year reversal of INR 143.95 lakhs pertain to impairment on financial instruments pursuant to the approval of scheme of amalgamation of subsidiary Company.

23 Finance Costs

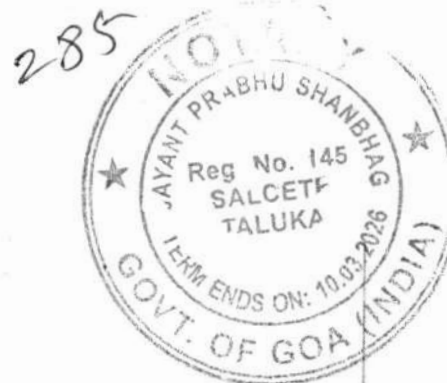
Particulars	For the Period Ended December 31, 2023	For the Year Ended March 31, 2023
On Financial liabilities measured at Amortised Cost		
Interest on deposits	1.06	1.13
Interest on borrowings	8.78	12.59
Other interest expense	0.60	2.97
Total	10.44	16.69



Smartlink Holdings Limited

Notes forming part of the Standalone Financial Statements for the period ended December 31, 2023

(Amount in INR Lakhs, unless otherwise stated)



24 Impairment on financial instruments

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

25 Employee Benefits Expenses

Particulars	For the Period Ended December 31, 2023	For the Year Ended March 31, 2023
Salaries and wages	205.65	264.97
Contribution to provident and other funds	5.37	6.81
Gratuity expenses	1.35	1.79
Staff welfare expenses	10.21	12.34
Total	222.58	285.91

26 Depreciation and amortisation expense

Particulars	For the Period Ended December 31, 2023	For the Year Ended March 31, 2023
Depreciation on property, plant and equipment (refer note 9)	49.75	62.78
Depreciation on Investment Property (refer note 8)	29.70	39.44
Total	79.45	102.22

27 Other expenses

Particulars	For the Period Ended December 31, 2023	For the Year Ended March 31, 2023
Rent, rate and taxes	7.86	29.63
Repairs and maintenance	36.89	222.29
Communication expenses	3.30	6.27
Printing and stationery expenses	1.60	1.90
Advertisement expenses	10.86	12.18
Director's fees	14.82	22.45
Auditor's fees and expenses	10.70	15.28
Legal and professional charges	37.66	79.07
Insurance	8.20	7.98
Annual maintenance expense	10.04	12.54
Software connectivity license/maintenance expenses	31.28	42.67
Travelling and conveyance expenses	35.15	29.76
Power and fuel expenses	63.37	89.18
Membership and subscription fees	0.81	0.40
Sundry balance written off (net)	-	8.18
Bad Debts Written Off	-	58.16
Office Expenses	9.00	13.54
Foreign Exchange loss - (net)	-	-
Application, registration & filing Fees	0.11	0.72
Expenditure on corporate social responsibility	-	7.65
Miscellaneous expenses	16.50	19.02
Bank charges	1.33	0.26
Total	299.48	679.13



EXHIBIT: E

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SCHEME OF AMALGAMATION

BETWEEN

SYNEGRA EMS LIMITED (TRANSFEROR COMPANY)

AND

SMARTLINK HOLDINGS LIMITED (TRANSFeree COMPANY)

AND

THEIR RESPECTIVE SHAREHOLDERS

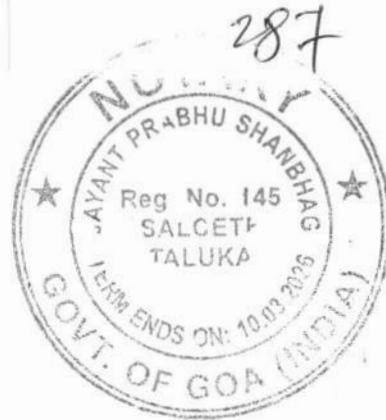
UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE PROVISIONS OF THE COMPANIES

ACT, 2013

*[Signature]*







## PREAMBLE

This Scheme of Amalgamation is presented pursuant to Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for amalgamation between SYNEGRA EMS LIMITED ('SEL' or 'Transferor Company') and SMARTLINK HOLDINGS LIMITED ('SHL' or 'Transferee Company') and their respective shareholders under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("the Scheme")

The Transferor Company and the Transferee Company are hereinafter collectively referred to as the "Companies".

## 1. DEFINITIONS

In this Scheme, unless repugnant to the meaning or context thereof, the following expressions shall have the following meanings:

- 1.1. "Act" or "the Act" means the Companies Act, 1956 and the Companies Act, 2013, as applicable and rules and regulations made thereunder and shall include any statutory modifications, amendments or re-enactment thereof for the time being in force.
- 1.2. "Appointed Date" shall mean 1<sup>st</sup> April, 2024 or such other date directed by or stipulated by the National Company Law Tribunal as may be applicable.
- 1.3. "Board of Directors" or "Board" means the respective Board of Directors of the Companies and shall include a committee of directors or any person authorized by such board of directors or such committee of directors duly constituted and authorized for the matters pertaining to this Scheme or any other matter relating hereto.
- 1.4. "Effective Date" means the last of the dates on which the conditions and matters referred to in clause 19 hereof occur or have fulfilled.

Any references in this Scheme to the date of "coming into effect of this Scheme" or "the Scheme coming into effect" or "Scheme becoming effective" shall mean the Effective Date.

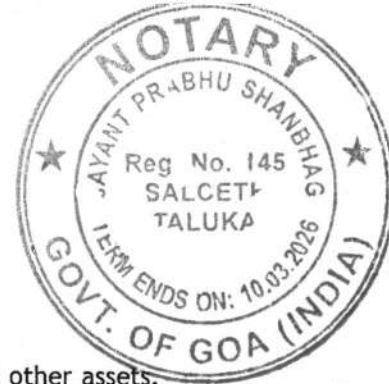
- 1.5. "Governmental Authority" means any applicable Central, State or local Government, legislative body, regulatory or administrative authority, agency or commission or any court, tribunal, board, bureau or instrumentality thereof or arbitration or arbitral body having jurisdiction over the territory of India.





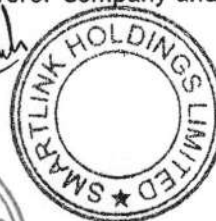
- 1.6. "Income-tax Act" means the Income-tax Act, 1961 including any statutory modifications, re-enactments or amendments thereto.
- 1.7. "National Company Law Tribunal" or "NCLT" or "Tribunal" means the Mumbai bench of National Company Law Tribunal constituted under section 408 of the Companies Act, 2013.
- 1.8. "ROC" means the Registrar of Companies, Goa.
- 1.9. "Scheme" or "the Scheme" or "this Scheme" means this Scheme of Amalgamation in its present form or with any modification(s) approved or directed under Clause 18 of this Scheme or any modifications approved or directed by National Company Law Tribunal pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.
- 1.10. "Transferee Company" means SMARTLINK HOLDINGS LIMITED, a public limited company listed on recognized stock exchanges in India, incorporated under the Companies Act, 1956 on March 31, 1993 with CIN - L67100GA1993PLC001341 and validly existing under the provisions of the Companies Act, 2013 and having its registered office at L-7, Verna Industrial Estate, Verna, Salcete, Goa, India - 403722.
- 1.11. "Transferor Company" means SYNEGRA EMS LIMITED, a public limited company incorporated under the Companies Act, 2013 on August 17, 2016 with CIN - U31909GA2016PLC012969 and having its registered office at Plot No. L-5A, Verna Industrial Estate, Verna, South Goa, Salcete, Goa, India - 403722.
- 1.12. "the Undertaking" shall mean the entire business of the Transferor Company, all their assets, rights, licenses and powers, and all of their debts, outstanding liabilities, employees, duties and obligations as on the Appointed Date including, but not in any way limited to, the following:
- (a) All the assets and properties (whether movable or immovable, tangible or intangible, real or personal, corporeal or incorporeal, present, future or contingent) of the Transferor Company, including, without being limited to, buildings and structures, offices, sundry debtors, furniture, fixtures, office equipment, appliances, vehicles, accessories, power lines, depots, deposits, all stocks, assets, investments of all kinds (including shares, scrips, stocks, bonds, debenture stocks, units or pass through certificates), cash balances or deposits with banks, loans, advances, contingent rights or benefits, book debts, receivables, actionable claims, earnest moneys, advances or deposits paid by the Transferor Company, financial assets, leases (including lease rights), hire purchase contracts and assets, lending contracts, rights and benefits under any agreement, benefit of any security arrangements or under



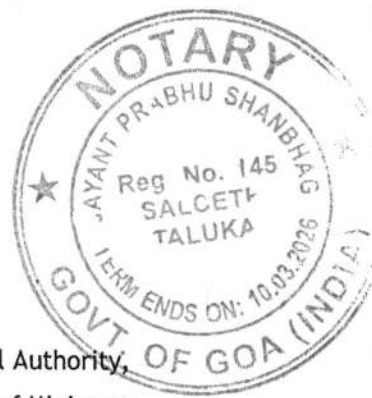


any guarantees, reversions, powers, municipal permissions, fixed and other assets, trade and service names and marks, and other intellectual property rights of any nature whatsoever, rights to use and avail of telephones, telexes, facsimile, email, internet, leased line connections and installations, utilities, electricity and other services, reserves, provisions, funds, benefits of assets or properties or other interest held in trust, registrations, contracts, engagements, arrangements of all kind, privileges and all other rights including sales tax deferrals, tax deducted at source ('TDS'), tax collected at source, advance tax, title, interests, other benefits (including tax benefits), easements, privileges, liberties and advantages, if any of whatsoever nature and wheresoever situated belonging to or in the ownership, power or possession and in the control of or vested in or granted in favour of or enjoyed by the Transferor Company or in connection with or relating to the Transferor Company and all other interests of whatsoever nature belonging to or in the ownership, power, possession or the control of or vested in or granted in favour of or held for the benefit of or enjoyed by the Transferor Company, whether in India or abroad.

- (b) All agreements, rights, contracts, entitlements, licenses including (but not limited to) No Objection Certificate from any authorities, including the Municipal Authorities, if any, permits, permissions, incentives, approvals, registrations, tax deferrals and benefits, subsidies, concessions, grants, rights, claims, leases, tenancy rights, liberties, special status and other benefits or privileges and claims as to any patents, trademarks, copyright, designs, quota rights, engagements, arrangements, authorities, allotments, security arrangements (to the extent provided herein), benefits of any guarantees, reversions, powers and all other approvals of every kind, nature and description whatsoever relating to the Transferor Company's business activities and operations.
- (c) Entitlements held by the Transferor Company or which may accrue or become due to it as on the Appointed Date or may become so due or entitled to thereafter.
- (d) All intellectual property rights, records, files, books, papers, process information, computer programs, manuals, data, catalogues, sales and advertising material, quotations, lists of present and former customers and suppliers, customer credit information, customer pricing information, other customer information and all other records and documents relating to the Transferor Company's business activities and operations whether in physical or electronic mode.
- (e) Amounts claimed by the Transferor Company whether or not so recorded in the books of account of the Transferor Company from any Governmental Authority, under any law, act or rule in force, as refund of any tax, duty, cess or of any excess payment.
- (f) Right to any claim, whether preferred or made by the Transferor Company or not, in respect of any refund of tax, duty, cess or other charge, including any erroneous or excess payment thereof made by the Transferor Company and any interest thereon,







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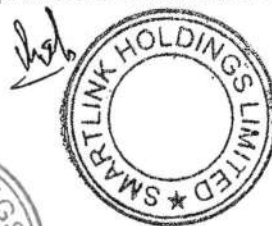
with regard to any law, act or rule or Scheme made by the Governmental Authority, and in respect of set-off, carry forward of un-absorbed losses availability of Minimum Alternate Tax credit, deferred revenue expenditure, deduction, exemption, rebate, allowance, amortization benefit, if permitted under the provisions of Income-tax Act, 1961, and the applicable value added tax including but not limited to VAT, Service Tax, Goods and Service Tax or any other or like benefits under the said acts or under and in accordance with any law or act.

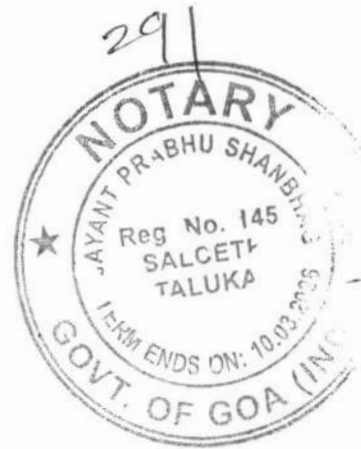
- (g) All debts (secured or unsecured), liabilities including contingent liabilities whether disclosed or undisclosed, duties, obligations, debentures, etc. of the Transferor Company along with any charge, encumbrance, lien or security including leases forming part of / relating to the Transferor Company and all other obligations of whatsoever kind, nature and description whatsoever and howsoever arising, raised or incurred or utilized. Provided that, any reference in the security documents or arrangements entered into by the Transferor Company and under which, the assets forming part of / relating to the Transferor Company stand offered as a security, for any financial assistance or obligation, the said reference shall be construed as a reference to the assets pertaining to that the Transferor Company only as are vested in the Transferee Company by virtue of the Scheme. Provided always that the Scheme shall not operate to enlarge the security for any loan, deposit or facility created by the Transferor Company which shall vest in the Transferee Company by virtue of the amalgamation and the Transferee Company shall not be obliged to create any further or additional security therefore after the Effective Date or otherwise.
- (h) All other obligations of whatsoever kind, including liabilities in respect of the employees of the Transferor Company with regard to the payment of gratuity.
- (i) All staff, workmen, employees or other labour of the Transferor Company.

Word(s) and expression(s) elsewhere defined in the Scheme will have the meaning(s) respectively ascribed thereto. The expressions which are used in this Scheme and not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meanings ascribed to them under the Act, Income-tax Act and other applicable laws, rules, regulations, bye-laws, as the case may be including any statutory modification thereof from time to time.

## 2. DATE OF TAKING EFFECT AND OPERATIVE DATE

- 2.1. The Scheme shall be effective from the Appointed Date mentioned herein but shall be operative from the Effective Date. The amalgamation between the Transferor Company and the Transferee Company and their respective shareholders shall be in accordance with Section 2(1B) of the Income-tax Act and other relevant provisions of the Income-tax Act, 1961





as applicable.

### 3. CAPITAL STRUCTURE

- 3.1. The authorised, issued, subscribed and paid up share capital of Transferor Company as at March 31, 2023, is as under:

Particulars	Amount (INR)
<b><u>AUTHORISED SHARE CAPITAL</u></b>	
2,50,00,000 equity shares of Rs. 10/- each.	25,00,00,000
<b>Total</b>	<b>25,00,00,000</b>
<b><u>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</u></b>	
2,50,00,000 equity shares of Rs. 10/- each.	25,00,00,000
<b>Total</b>	<b>25,00,00,000</b>

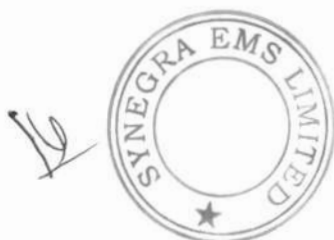
Subsequent to March 31, 2023 there has been no change in its issued, subscribed and paid up share capital.

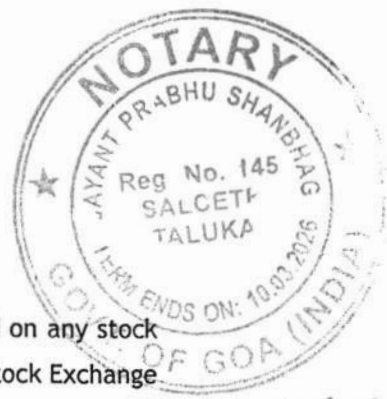
As on date, the entire share capital of the Transferor Company is held by the Transferee Company. Accordingly, the Transferor Company is wholly owned subsidiary of the Transferee Company.

- 3.2. The authorised, issued, subscribed and paid-up share capital of Transferee Company as at March 31, 2023 is as under:

Particulars	Amount (INR)
<b><u>AUTHORISED SHARE CAPITAL</u></b>	
3,50,00,000 Equity Shares of INR 2/- each.	7,00,00,000
<b>Total</b>	<b>7,00,00,000</b>
<b><u>ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL</u></b>	
99,75,000 Equity Shares of INR 2/- each.	1,99,50,000
<b>Total</b>	<b>1,99,50,000</b>

Subsequent to March 31, 2023 there has been no change in its issued, subscribed and paid up share capital.





- 3.3. The shares and / or other securities of the Transferor Company are not listed on any stock exchanges. The shares of the Transferee Company are listed on The National Stock Exchange and The Bombay Stock Exchange.

#### 4. RATIONALE OF THE SCHEME

- 4.1. The Transferor Company and the Transferee Company are part of the same group and the Transferor Company is wholly owned subsidiary of the Transferee Company. The rationale for the Scheme is as under:
- (a) To foray into design, development, research in the field of Information Technology for networking products at the Holding company level
  - (b) Reduce managerial overlaps, regulatory compliances which are necessarily involved in running multiple entities and elimination of duplication of administrative expenses, consequently enabling cost savings
  - (c) Ease in raising funds at Holding company level
  - (d) Economies of scale, greater integration, flexibility and market reach for the amalgamated entity
  - (e) Achieve simplified corporate structure and ensuring more productive and optimum utilization of various resources
- 4.2. Accordingly, this Scheme is being presented for amalgamation between the Transferor Company and the Transferee Company and their respective shareholders and for various other matters consequential, incidental, supplemental and / or otherwise integrally connected therewith pursuant to sections 230 to 232 and other applicable provisions of the Act.

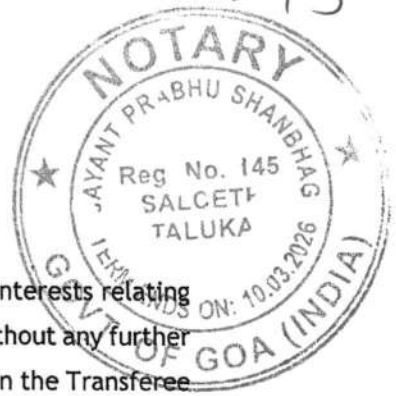
#### 5. TRANSFER AND VESTING OF UNDERTAKING

- 5.1. With effect from the Appointed Date and upon coming into effect of the Scheme and subject to the provisions of the Scheme, the entire Undertaking of the Transferor Company shall be transferred to and vested in or be deemed to be transferred to and vested as a going concern in the Transferee Company.
- 5.2. For avoidance of doubt and without prejudice to the generality of the foregoing, it is clarified that upon coming into effect of this Scheme and with effect from the Appointed Date, in accordance with the provisions of relevant laws, all consents, permissions, licenses, registrations, certificates, authorities (including for the operation of bank accounts), powers of attorneys given by, issued to or executed in favour of the Transferor Company, and the rights and benefits under the same, in so far as they relate to the Transferor Company, all quality certifications and approvals, patents and domain names, copyrights, brands, trade





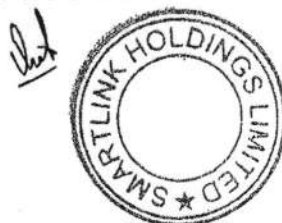
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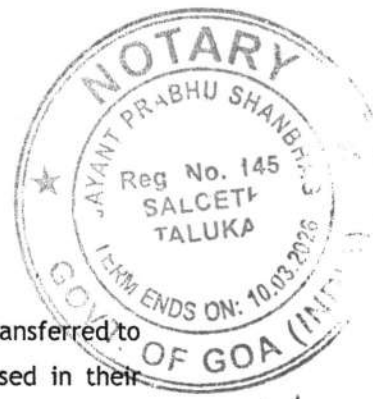


secrets, product registrations and other intellectual property and all other interests relating to the goods or services being dealt with by the Transferor Company, shall without any further act or deed, be transferred and/or deemed to be transferred to and vested in the Transferee Company under the same terms and conditions as were applicable to the Transferor Company immediately prior to the Effective Date. In so far as the various incentives, sales tax, deferral benefits, subsidies (including applications for subsidies), available tax credits (including Minimum Alternate Tax credit, if any), rehabilitation schemes, grants, special status and other benefits or privileges enjoyed, granted by any government body, local authority or by any other person, or availed of or to be availed of by the Transferor Company are concerned, the same shall, without any further act or deed, in so far as they relate to the Transferor Company, shall be transferred and / or deemed to be transferred to or vest with and be available to the Transferee Company on the same terms and conditions as were applicable immediately prior to the coming into effect of this Scheme. The Transferee Company shall make applications to and obtain relevant approvals from the concerned Governmental Authorities and / or parties as may be necessary in this behalf and the Transferor Company shall co-operate and provide the required support wherever required.

5.3. The transfer and vesting of movable assets and other assets shall be effected as follows, unless Board of Directors of the Transferor and the Transferee Company decides otherwise:

- (a) All the movable assets of the Transferor Company, and the assets which are otherwise capable of transfer by physical delivery or endorsement and delivery, shall be so transferred to the Transferee Company and deemed to have been physically handed over by physical delivery or by endorsement and delivery, as the case may be, without the need to execute any separate instrument, to the Transferee Company to the end and intent that the property and benefit therein passes to the Transferee Company with effect from the Appointed Date. Such delivery and transfer shall be made on a date which shall be mutually agreed upon between the Transferor Company and the Transferee Company on or after the Effective Date.
- (b) In respect of any movable assets of the Transferor Company other than those mentioned in sub-clause 5.3.(a) above, including investments, intangible assets, actionable claims, sundry debtors, outstanding loans, advances recoverable in cash or kind or for value to be received and deposits with the Government, semi-Government, local and other authorities and bodies and customers, the Transferor Company shall if so required by the Transferee Company, and the Transferee Company may, issue notices in such form as the Transferee Company may deem fit and proper stating that pursuant to the NCLT having sanctioned this Scheme under Sections 230 to 232 and other applicable provisions of the Act, the relevant debt, loan, advance or other asset, be paid or made good or held on account of the Transferee Company, as the person entitled thereto, to the end and intent that the





right of the Transferor Company to recover or realize the same stands transferred to the Transferee Company and that appropriate entries should be passed in their respective books to record the aforesaid changes.

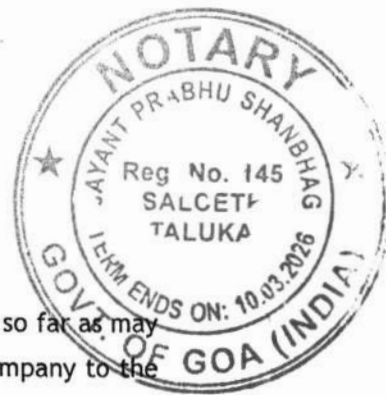
- 5.4. In relation to the assets, if any, belonging to the Transferor Company, which require separate documents of transfer, the Transferor Company and the Transferee Company will execute necessary documents, as and when required.

Provided that for the purpose of giving effect to the vesting order passed under Sections 230 to 232 in respect of this Scheme, the Transferee Company shall at any time pursuant to the orders on this Scheme be entitled to get the record of the change in the title and the appurtenant legal right(s) upon the vesting of such assets of the Transferor Company in accordance with the provisions of Sections 230 to 232 of the Act, at the office of the respective Registrar of Assurances or any other concerned authority, where any such property is situated.

- 5.5. Upon the Scheme coming into effect and with effect from the Appointed Date, and subject to the provisions of the Scheme, all debts, liabilities, contingent liabilities, duties and obligations of the Transferor Company as on the Appointed Date whether provided for or not in the books of accounts of the Transferor Company, and all other liabilities which may accrue or arise after the Appointed Date but which relate to the period on or up to the day of the Appointed Date shall, pursuant to the orders of the Hon'ble NCLT or such other Governmental authority as may be applicable under the provisions of the Act, without any further act or deed, be transferred or deemed to be transferred to and vested in the Transferee Company, so as to become as from the Appointed Date the debts, liabilities, contingent liabilities, duties and obligations of the Transferee Company on the same terms and conditions as were applicable to the Transferor Company. Provided however that any charges, mortgages and/or encumbrances shall be confined only to the relative assets of the Transferor Company or part thereof on or over which they are subsisting on transfer to and vesting of such assets in the Transferee Company and no such charges, mortgages, and/or encumbrances shall be enlarged or extend over or apply to any other asset(s) of the Transferee Company. Any reference in any security documents or arrangements (to which any of the Transferor Company is a party) to any assets of the Transferor Company shall be so construed to the end and intent that such security shall not extend, nor be deemed to extend, to any of the other asset(s) of the Transferee Company and Transferee Company shall not be obliged to create any further or additional security.

- 5.6. On and from the Effective Date, and thereafter, the Transferee Company shall be entitled to operate all bank accounts of the Transferor Company and realize all monies and complete and enforce all pending contracts and transactions and to accept and issue credit notes in





respect of the Transferor Company in the name of the Transferee Company in so far as may be necessary until the transfer of rights and obligations of the Transferor Company to the Transferee Company under this Scheme have been formally given effect to under such contracts and transactions.

- 5.7. The resolutions, if any, as approved and passed from time to time, under the Act, by the Board of Directors, shareholders of the Transferor Company, which are valid and subsisting on the Effective Date, shall continue to be valid and subsisting and be considered as resolutions of the Transferee Company until the Board of Directors or the shareholders of the Transferee Company, as applicable, passes resolution(s) which has the effect of modifying or changing aforesaid resolutions of the Transferor Company. If any such resolutions of the Transferor Company have upper monetary or other limits being imposed under the provisions of the Act or any other applicable provisions, then the said limits shall be added and shall constitute the aggregate of the said limits in the Transferee Company.
- 5.8. This Scheme shall not, in any manner, affect the rights of any of the creditors of the Transferor Company or the Transferee Company.

#### 6. CONTRACTS AND DEEDS

- 6.1. From the Effective Date, subject to the provisions hereof, without any further act of the parties, all memorandum of understanding, contracts, including contracts for tenancies and licenses, deeds, bonds, agreements, incentives, benefits, exemptions, entitlements, arrangements, engagements, registrations, schemes, assurances, insurance policies, guarantees and other instruments of whatsoever nature to which the Transferor Company is a party or to the benefit of which the Transferor Company may be eligible and which are subsisting or have effect on the Effective Date, shall be in full force and effect on or against or in favour, as the case may be, of the Transferee Company and may be enforced as fully and effectually as if, instead of the Transferor Company, the Transferee Company had been a party to or beneficiary of or obliged under the same.
- 6.2. Without prejudice to the other provisions of this Scheme and notwithstanding the fact that the vesting of the Transferor Company occurs by virtue of this Scheme itself, the Transferee Company shall, if and to the extent required by law, enter into and / or issue and / or execute deeds, writings or confirmations, to give formal effect to the provisions of Clause 6.1. To the extent that the Transferor Company is required prior to the Effective Date to enter into and / or issue and / or execute such deeds, writings or confirmations, the Transferee Company shall be entitled to act for and on behalf of and in the name of the Transferor Company and to carry out or perform all such formalities or compliances referred to above on the part of







the Transferor Company.

- 6.3. It is hereby clarified that if any contracts, deeds, bonds, agreements, registrations, licenses, assets (including but not limited to any estate, rights, title, interest in or authorities relating to such assets), schemes, arrangements or other instruments of whatsoever nature to which the Transferor Company is a party, cannot be transferred to the Transferee Company for any reason whatsoever, the Transferor Company shall hold such contracts, deeds, bonds, agreements, registrations, licenses, schemes, arrangements or other instruments of whatsoever nature in trust for the benefit of the Transferee Company, on and till the Effective Date.

## 7. EMPLOYEES OF THE TRANSFEROR COMPANY

- 7.1. All the employees of the Transferor Company, who are in service as on the Effective Date shall on and from the Effective Date and with effect from the Appointed Date, become and be engaged as the employees of the Transferee Company, without any break or interruption in service as a result of the transfer and on terms and conditions not less favourable than those on which they are engaged by the Transferor Company immediately preceding the Effective Date. Services of the employees of the Transferor Company shall be taken into account from the date of their respective appointment with the Transferor Company for the purposes of all retirement benefits and all other entitlements for which they may be eligible. For the purpose of payment of any retrenchment compensation, if any, such past services with the Transferor Company shall also be taken into account.
- 7.2. On and from the Effective Date and with effect from the Appointed Date, the services of the employees of the Transferor Company will be treated as having been continuous, without any break, discontinuance or interruption, for the purpose of membership and the application of the rules or bye-laws of provident fund or gratuity fund or pension fund or superannuation fund or other statutory purposes as the case may be.
- 7.3. It is expressly provided that, on the Scheme becoming effective and with effect from the Appointed Date, the provident fund, gratuity fund, superannuation fund or any other special fund or trusts created or existing for the benefit of the staff, workmen and other employees of the Transferor Company shall become trusts / funds of the Transferee Company for all purposes whatsoever in relation to the administration or operation of such funds or trusts or in relation to the obligation to make contributions to the said funds or trusts in accordance with the provisions thereof as per the terms provided in the respective trust deeds or other documents, if any. It is the aim, and intent of the Scheme that all rights, duties, powers and obligations of the Transferor Company in relation to such funds or trusts shall become those





of the Transferee Company. It is clarified that the services of the staff, workmen and employees of the Transferor Company which are employed with the Transferee Company will be treated as having been continuous for the purpose of the said fund or funds. The trustees including the Board of Directors of the Transferor Company and the Transferee Company or through any committee / person duly authorised by the Board of Directors in this regard shall be entitled to adopt such course of action in this regard as may be advised provided however that there shall be no discontinuation or breakage in the services of the employees of the Transferor Company.

#### 8. BOARD OF DIRECTORS OF THE TRANSFEROR COMPANY

- 8.1. The Board of Directors (or any committee/ sub-committee thereof) of the Transferor Company, upon this Scheme becoming effective, shall without any further act, instrument and deed stand dissolved. All directors of the Transferor Company shall cease to be directors of the Transferor Company on coming into effect of this Scheme. However, if any such director is a director of the Transferee Company, he will continue to hold his office in the amalgamated Transferee Company.

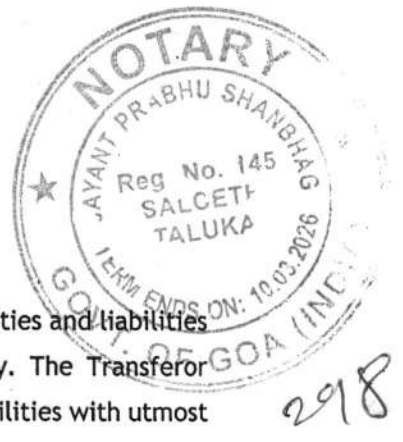
#### 9. LEGAL PROCEEDINGS

- 9.1. If any suit, appeal, petition, complaint, application or other legal proceedings of whatsoever nature (hereinafter referred to as the "Proceedings") by or against the Transferor Company is pending as on the Effective Date, the same shall not abate or be discontinued or in any way be prejudicially affected by reason of the amalgamation between the Transferor Company and the Transferee Company or by anything contained in this Scheme, but the Proceedings may be continued, prosecuted and enforced by or against the Transferee Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Transferor Company in the absence of this Scheme.
- 9.2. On and from the Effective Date, the Transferee Company shall, if required, initiate any legal proceedings in relation to the present and past business, undertakings, properties and assets of the Transferor Company.

#### 10. CONDUCT OF BUSINESS BY TRANSFEROR COMPANY TILL EFFECTIVE DATE

- 10.1. Unless otherwise stated herein, from the Appointed Date until the Effective Date:
- (a) The Transferor Company shall carry on and be deemed to have carried on all its business and activities and shall be deemed to have held and stood possessed of and





shall continue to hold and stand possessed of all the assets, properties and liabilities for and on account of and in trust for the Transferee Company. The Transferor Company hereby undertakes to hold the assets, properties and liabilities with utmost prudence until the Effective Date.

- (b) The Transferor Company shall carry on its business and activities with reasonable diligence and business prudence and shall not, alter or diversify its respective business nor venture into any new business, nor alienate, charge, mortgage, encumber or otherwise deal with the assets or any part thereof except in the ordinary course of business.
- (c) All the profits or income accruing or arising to the Transferor Company or expenditure or losses arising or incurred or suffered by the Transferor Company, shall for all purposes be treated as the income or profits or losses or expenditure as the case may be of the Transferee Company.
- (d) The Transferor Company shall not vary the terms and conditions of employment of any of the employees except in the ordinary course or pursuant to any pre-existing obligation undertaken by the Transferor Company as the case may be.
- (e) The Transferor Company shall not make any change in its capital structure (paid-up capital), whether by way of increase, decrease, reduction, re-classification, sub-division or consolidation, re-organisation, or in any other manner, except by and with the consent of the Board of Directors of SHL.

10.2. The Transferor Company either individually or jointly with the Transferee Company shall be entitled, pending the sanction of the Scheme, to apply to the Central Government and /or other agencies, departments and authorities concerned as may be necessary under any law for such consents, approvals and sanctions which the Transferee Company may require to carry on the business of the Transferor Company and to give effect to the Scheme.

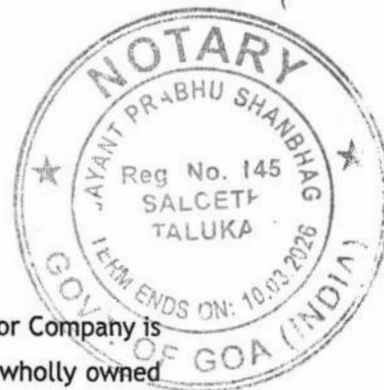
#### 11. SAVING OF CONCLUDED TRANSACTION

11.1. The transfer of the entire business, properties, assets and Undertaking of the Transferor Company to the Transferee Company and the continuance of all contracts or proceedings by or against the Transferor Company shall not affect any transaction, contracts or proceedings already concluded by the Transferor Company on or after the Appointed Date till the Effective Date, to the end and intent that the Transferee Company accepts and adopts all acts, deeds, matters and things done and / or executed by the Transferor Company in regard thereto, as if done or executed on behalf of the Transferee Company.





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## 12. ISSUE OF SHARES

- 12.1. The entire issued, subscribed and paid-up equity share capital of the Transferor Company is held by the Transferee Company. In other words, the Transferor Company is wholly owned subsidiary of the Transferee Company. Accordingly, upon this scheme becoming effective, the Transferee Company would not be required to issue and allot any shares to the shareholders of the Transferor Company.

## 13. ACCOUNTING TREATMENT

- 13.1. On the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of account in accordance with "Pooling of Interest Method" laid down under Appendix C of IND AS 103 (Business combination of entities under common control) and/ or any other applicable IND AS, as the case may be, as notified under Section 133 of the Act read with relevant rules issued thereunder.

## 14. TREATMENT OF TAXES

- 14.1. Any tax liabilities under the Income-tax Act, 1961, Customs Act, 1962, The Central Good and Service Tax Act, 2017, stamp laws, if any as amended from time to time or other applicable laws/ regulations dealing with taxes/ duties/ levies (hereinafter in this Clause referred to as "Tax Laws") allocable or related to the business of the Transferor Company to the extent not provided for or covered by appropriate tax provisions in the accounts made as on the date immediately preceding the Appointed Date shall be transferred to the Transferee Company.
- 14.2. All taxes (including but not limited to Income-tax, Good and Service tax etc.) paid or payable by the Transferor Company in respect of the operations and / or the profits of the business on and from the Appointed Date, shall be on account of the Transferee Company and, insofar as it relates to the tax payment (including without limitation Income-tax, service tax, etc.), whether by way of deduction at source, advance tax or otherwise howsoever, by the Transferor Company in respect of the profits or activities or operation of the business on and from the Appointed Date, the same shall be deemed to be the corresponding item paid by the Transferee Company, and shall in all proceedings, be dealt with accordingly.
- 14.3. Upon the Scheme becoming effective, the Transferor Company (if required) and the Transferee Company are expressly permitted to revise their financial statements, annual accounts, tax returns including but not limited to TDS Certificates, TDS returns, etc. along with prescribed forms, filings and annexures under the Income-tax Act, Goods and Service



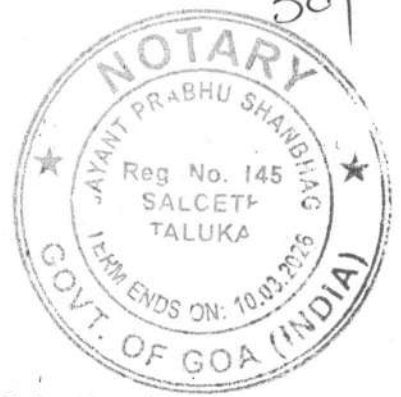


tax and other tax laws, and to claim refunds and / or credit for taxes paid (including minimum alternate tax, advance taxes, TDS, etc.), as may be required to give effect to the provisions of the Scheme.

The relevant authorities shall be bound to transfer to the account of and give credit for the same to Transferee Company upon the passing of the order on this Scheme by the Hon'ble NCLT or any other appropriate authority and upon relevant proof and documents being provided to the said authorities.

- 14.4. All tax assessment proceedings / appeals of whatsoever nature by or against the Transferor Company pending and / or arising at the Appointed Date and relating to them shall be continued and / or enforced until the Effective Date by the Transferor Company. As and from the Effective Date, the tax proceedings shall be continued and enforced by or against the Transferee Company in the same manner and to the same extent as would or might have been continued and enforced by or against the Transferor Company. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by reason of the amalgamation of the Transferor Company with the Transferee Company or anything contained in the Scheme.
- 14.5. Any refund under the Tax Laws received by / due to the Transferor Company consequent to the assessments made on the Transferor Company subsequent to the Appointed Date and for which no credit is taken in the accounts as on the date immediately preceding the Appointed Date shall also belong to and be received by the Transferee Company.
- 14.6. Without prejudice to the generality of the foregoing, all benefits including but not limited to benefits relating to Income-tax, Goods and Service Tax etc., to which the Transferor Company is entitled in terms of the applicable tax laws of the Union and State Governments, shall be available to and vest in the Transferee Company.
- 14.7. Further, any tax deducted at source by the Transferor Company / the Transferee Company on inter-company transactions between the Transferee Company and the Transferor Company, if any (from Appointed Date to Effective Date) shall be deemed to be advance tax paid by the Transferee Company and shall, in all proceedings, be dealt with accordingly.
- 14.8. Upon the coming into effect of this scheme, all tax compliances under any tax laws by the Transferor Company on or after Appointed Date shall be deemed to be made by the Transferee Company.





**15. COMBINATION AND ENHANCEMENT OF AUTHORISED SHARE CAPITAL**

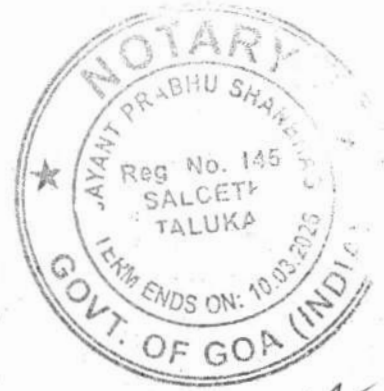
15.1. Upon this Scheme becoming effective, the authorised share capital of the Transferee Company shall automatically stand increased without any further act, instrument or deed on the part of the Transferee Company including payment of stamp duty and fees payable to ROC, by the authorised share capital of the Transferor Company as on the Effective Date. The Authorised Share Capital of the Transferee Company stands increased to INR 32,00,00,000 (Rupees Thirty Two Crores Only) divided into 16,00,00,000 (Sixteen Crore) equity shares of INR 2/- each and the Memorandum of Association and Articles of Association of the Transferee Company (relating to the authorised share capital) shall, without any further act, instrument or deed, be increased and stand altered, modified and amended, and the consent of the shareholders of the Transferee Company to the Scheme (in case dispensation for holding meeting of shareholders of the Transferee Company is not granted)/ the approval of this Scheme by the NCLT (in case dispensation for holding meeting of shareholders of the Transferee Company is granted) shall be deemed to be sufficient for the purposes of effecting this amendment, and no resolution(s) under Sections 13, 14 and 61 of the Companies Act, 2013 and Section 230 of the Act and other applicable provisions of the Act would be required to be separately passed, as the case may be and for this purpose the stamp duties and fees paid on the authorised capital of the Transferor Company shall be utilized and applied to the increased authorised share capital of the Transferee Company and there would be no requirement for any further payment of stamp duty and / or fee by the Transferee Company for increase in the authorised share capital to that extent and the Transferee Company shall pay the differential fees/ stamp duty, if any, on the enhanced authorised share capital pursuant to the amalgamation after set-off the fee/stamp duty paid by the Transferor Company on its authorised capital prior to amalgamation.

15.2. It is clarified that the consent of the shareholders of the Transferee Company to the Scheme (in case dispensation for holding meeting of shareholders of the Transferee Company is not granted)/ the approval of this Scheme by the NCLT (in case dispensation for holding meeting of shareholders of the Transferee Company is granted) shall be deemed to be the consent of shareholders of the Transferee Company to the alteration of the Memorandum of Association of the Transferee Company as may be required under the Act, and Clause V of the Memorandum of Association of the Transferee Company shall stand substituted by virtue of the Scheme to read as follows:

*"V) The Authorised Share Capital of the Company is INR 32,00,00,000 (Rupees Thirty Two Crores Only) divided into 16,00,00,000 (Sixteen Crore) equity shares of INR 2/- each"*







**16. DISSOLUTION OF THE TRANSFEROR COMPANY**

- 16.1. On and from the Effective Date, the Transferor Company shall stand dissolved without being wound up.

**17. APPLICATION TO THE NCLT**

- 17.1. The Transferor Company and the Transferee Company as may be directed by the NCLT shall make and file necessary applications and petitions to the NCLT or any other appropriate authority, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for sanctioning this Scheme and for dissolution of the Transferor Company without being wound up.

**18. MODIFICATIONS / AMENDMENTS TO THE SCHEME**

- 18.1. The Transferor Company (by its Board of Directors) and the Transferee Company (by its Board of Directors) or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may consent, on behalf of all persons concerned, to any modifications or amendments of the Scheme or to any conditions or limitations that the NCLT or any other Governmental Authority may deem fit to direct or impose or which may otherwise be considered necessary, desirable or appropriate by the NCLT or such other Governmental Authority, whether in pursuance of a change in law or otherwise. The Transferor Company and the Transferee Company by their respective Board of Directors or such other person or persons as the respective Board of Directors may authorize, including any committee or sub-committee thereof, shall be authorised to take all such steps as may be necessary, desirable or proper to resolve any doubts, difficulties or questions whether by reason of any directive or orders of any other authorities or otherwise howsoever arising out of or under or by virtue of the Scheme and / or any matter concerned or connected therewith. All modification / amendments in pursuant to this Clause shall be subject to approval of NCLT.
- 18.2. For the purpose of giving effect to this Scheme or to any modification or amendments thereof or additions thereto, the delegate(s) and / or the directors of the Transferor Company and / or the Transferee Company may give and are hereby authorised to determine and give all such directions as are necessary including directions for settling any question of doubt or difficulty that may arise and such determination or directions, as the case may be, shall be binding on all parties, in the same manner as if the same were specifically incorporated in this Scheme.



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## 19. CONDITIONALITY OF THE SCHEME

19.1. The Scheme, in relation to the amalgamation between Transferor Company and Transferee Company, is conditional upon and subject to the following:

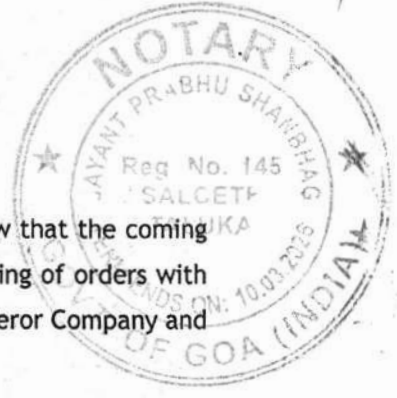
- (a) The requisite consent/ intimation/ approval/ permission / waiver, as may be required of the Central Government or any other statutory or regulatory authority, including Stock Exchange(s) and/or Securities and Exchange Board of India and/or Reserve Bank of India, if any, which by law may be necessary for the implementation of this Scheme or as may be directed by the jurisdictional NCLT.
- (b) The Scheme being approved by the respective requisite majorities of the shareholders and/ or creditors of the Transferor Company and the Transferee Company as may be directed by the jurisdictional NCLT.
- (c) Sanctions and orders under the provisions of Sections 230 to 232 and other applicable provisions of the Act being obtained by the Transferor Company and the Transferee Company from the NCLT.
- (d) Filing of Certified copies of Orders of NCLT sanctioning this Scheme pursuant to Sections 230 to 232 and other applicable provisions of the Act with the ROC, Goa by the Companies.
- (e) Intimation to the Project Management Agency for obtaining requisite approval / waiver of the Competent authority on account of change in shareholding (due to the said amalgamation), pursuant to the Approval Letter no. PLI/GSCV/OUT/17203/M14 dated October 31, 2022 issued by the Small Industries Development Bank of India (SIDBI), the Project Management Agency ('the PMA') read with Production Linked Incentive scheme ('the PLI Scheme') Guidelines for Telecom and Networking Products manufactured in India dated June 03, 2021 issued in favour of Transferor Company.

## 20. EFFECT OF NON-RECEIPT OF APPROVALS/ SANCTIONS

20.1. In the event of any of the said sanctions and approvals referred to in Clause 19 are not being obtained and / or complied with and / or satisfied and / or the Scheme not being sanctioned by the NCLT, this Scheme shall stand revoked, cancelled and be of no effect and in that event, no rights and liabilities whatsoever shall accrue to or be incurred between the Transferor Company and the Transferee Company or their respective shareholders or creditors or employees or any other person save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any right, liability or obligation which has arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out in accordance with the applicable law and in such case, each party shall bear its own costs unless otherwise mutually agreed. Further, the Board of Directors of the Transferor Company and the Transferee Company shall be entitled to revoke, cancel and



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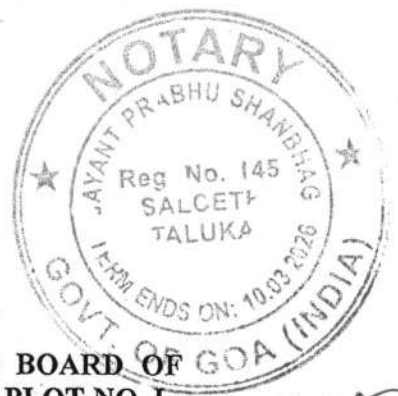
declare this Scheme of no effect if such Board of Directors are of the view that the coming into effect of this Scheme in terms of the provisions of this Scheme or filing of orders with any authority could have adverse implications on either or both the Transferor Company and the Transferee Company.

21. COSTS, CHARGES AND EXPENSES

21.1. All costs, charges, taxes including duties (including the stamp duty, if any, applicable in relation to this Scheme), levies and all other expenses, if any (save as expressly otherwise agreed) arising out of or incurred in carrying out and implementing this Scheme and matters incidental thereto shall be borne by the Transferee Company.





**SYNEGRA**

**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF SYNEGRA EMS LIMITED AT ITS MEETING HELD AT PLOT NO. L-7, VERNA INDUSTRIAL ESTATE, VERNA, SALCETE GOA 403722 ON FRIDAY, THE 09<sup>TH</sup> DAY OF FEBRUARY, 2024**

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 or any statutory modification or replacement thereof for the time being in force or any amendment thereof and Clause III B (11) of the Object Clause of the Memorandum of Association of Synegra EMS Limited (hereinafter referred to as "the Company" or "Transferor Company") and subject to the requisite approval, consents, sanctions and permissions of the concerned regulatory authorities if any and the sanction of the jurisdictional Hon'ble National Company Law Tribunal ("NCLT") and/ or such other appropriate authority, as may be applicable and requisite approval of the shareholders and/or creditors of the Company as may be directed by the jurisdictional NCLT, the approval of the Board of Directors of the Company ("Board") be and is hereby accorded to the Scheme of Amalgamation between Synegra EMS Limited ("Transferor Company") and Smartlink Holdings Limited ("Transferee Company") and their respective shareholders ("the Scheme") placed before the Board and initialed by the Chairman for the purpose of identification.

RESOLVED FURTHER THAT as the Transferor Company is wholly owned subsidiary of the Transferee Company, the Transferee Company would not be required to issue and allot any shares to the shareholders of the Transferor Company.

RESOLVED FURTHER THAT Mr. K. R. Naik, Wholetime Director, Mr. K. G. Prabhu, Chief Financial Officer, Mr. Edlan Fernandes, Company Secretary and Ms. Urjita Damle, Authorised Signatory of the Company be and are hereby authorised individually and/ or severally to do and perform all such acts, deeds, matters and things as may be deemed necessary, expedient, desirable, usual or proper and to settle any question or difficulty that may arise with regard to execution and implementation of the Scheme and for this purpose take all necessary steps for, including but not limited to:

- (a) Finalizing the draft Scheme of Amalgamation;
- (b) Filing of applications/affidavits with the concerned jurisdictional NCLT or such other competent authority and seeking directions as to holding/dispensing with meeting of the shareholders/creditors of the Company as may be directed by the jurisdictional NCLT to give effect to the Scheme and where necessary to take steps to convene and hold such meetings as per the directions of the jurisdictional NCLT;
- (c) Filing of petitions for confirmation of the Scheme by the jurisdictional NCLT's or such other competent authority;
- (d) For the above purposes to engage advocates, consultants, Company Secretary, Chartered Accountants, and if considered necessary, also engage services of

**SYNEGRA EMS LIMITED**

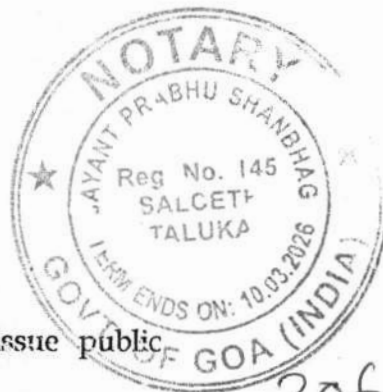
Registered Office : Plot No. L-5A, Verna Industrial Estate, Verna, Salcete, South Goa, GA, 403722, IN  
Land Phone : +91 832 2885433 | Fax : +91 832 2783395 | helpdesk@synegra.com | www.synegra.com

CIN : U31909GA2016PLC012969

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**SYNEGRA**



- counsel(s), declare and file all pleadings, reports, and sign and issue public advertisements and notices;
- (e) Obtaining approval from such other authorities and parties including the shareholders and creditors, as may be directed by the jurisdictional NCLT, to the said Scheme;
  - (f) To settle any question or difficulty that may arise with regard to the implementation of the above Scheme, and to give effect to the above resolution;
  - (g) To make any alterations/changes to the Scheme as may be expedient or necessary which does not materially change the substance of the Scheme; and also particularly for satisfying the requirements or conditions imposed by the Central Government or the jurisdictional NCLT or any other authority;
  - (h) To suspend, withdraw or revive the scheme from time to time as may be specified by any statutory authority or as may be suo motu decided by the Board in its absolute discretion;
  - (i) To sign all applications, petitions, documents relating to the Scheme and jurisdictional NCLT process or delegate such authority to another person by a valid Power of Attorney; and
  - (j) To do all acts and things as may be considered necessary and expedient in relation to the Scheme including necessary submissions to the regulatory authorities to give effect to the Scheme and for matters connected therewith or incidental thereto."

**RESOLVED FURTHER THAT** this resolution shall remain in full force and effect until otherwise amended or rescinded by the Board of Directors.

**RESOLVED FURTHER THAT** a certified true extract of the above resolutions duly signed by anyone of the Directors, be sent to the concerned authorities / regulatory bodies to enable them to give effect to the above resolutions."

*Certified To Be True Copy*

**For SYNEGRA EMS LIMITED**

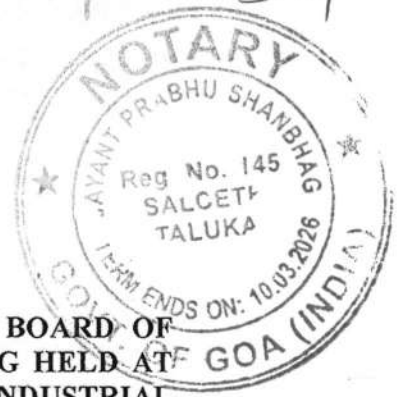
  
**K. R. NAIK**  
**WHOLETIME DIRECTOR**  
**DIN: 00002013**



**SYNEGRA EMS LIMITED**

Registered Office : Plot No. L-5A, Verna Industrial Estate, Verna, Salcette, South Goa, GA, 403722, IN  
Land Phone : +91 832 2885433 | Fax : +91 832 2783395 | [helpdesk@synegra.com](mailto:helpdesk@synegra.com) | [www.synegra.com](http://www.synegra.com)  
CIN : U31909GA2016PLC012969

A Subsidiary of Smartlink Holdings Ltd.



**CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS OF SMARTLINK HOLDINGS LIMITED AT ITS MEETING HELD AT THE REGISTERED OFFICE OF THE COMPANY AT L-7, VERNA INDUSTRIAL ESTATE, VERNA, SALCETE - GOA, 403722 ON FRIDAY THE 09<sup>TH</sup> DAY OF FEBRUARY, 2024**

"RESOLVED THAT pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 or any statutory modification or replacement thereof for the time being in force or any amendment thereof and clause III B (15) of the Object Clause of the Memorandum of Association of Smartlink Holdings Limited (hereinafter referred to as "the Company" or "Transferee Company") and subject to the requisite approval, consents, sanctions and permissions of the concerned regulatory authorities if any and the sanction of the jurisdictional Hon'ble National Company Law Tribunal ("NCLT") and/ or such other appropriate authority, as may be applicable and requisite approval of the shareholders and/or creditors of the Company as may be directed by the jurisdictional NCLT, the approval of the Board of Directors of the Company ("Board") be and is hereby accorded to the Scheme of Amalgamation between Synegra EMS Limited ("Transferor Company") and the Company and their respective shareholders ("the Scheme") placed before the Board and initialed by the Chairman for the purpose of identification.

RESOLVED FURTHER THAT as the Transferor Company is wholly owned subsidiary of the Transferee Company, the Transferee Company would not be required to issue and allot any shares to the shareholders of the Transferor Company on account of merger of wholly owned subsidiary with the Transferee Company.

RESOLVED FURTHER THAT report of the Audit Committee recommending the draft Scheme and the certificate issued by the Statutory Auditor M/s Shridhar and Associates, Chartered Accountants for accounting treatment as placed before the Board be and is hereby noted, accepted and approved.

RESOLVED FURTHER THAT in terms of the Regulation 37(6) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company is not required to obtain prior approval of Stock Exchanges for filing the Scheme with jurisdictional NCLT and the Company is not required to comply with the provisions of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023 provided that draft Scheme is filed with Stock Exchanges for disclosure purposes.

RESOLVED FURTHER THAT Mr. K. R. Naik, Executive Chairman, Ms. Arati Naik, Wholetime Director, Mr. K. G. Prabhu, Chief Financial Officer and Ms. Urjita Damle, SMARTLINK HOLDINGS LIMITED

Registered Office : L-7, Verna Industrial Estate, Verna, Salcete, GA, 403722, IN | Land Phone : +91 832 2885400 | Fax : +91 832 2783395  
investors@smartlinkholdings.com | www.smartlinkholdings.com

Corporate Office : CITIPOINT, 7th Floor, Unit No. B-702, Andheri-Kurla Road, J. B. Nagar, Andheri (East), Mumbai - 400059, INDIA  
Land Phone : +91 22 4961 7068

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SYNEGRA

CIN : L67100GA1993PLC001341







Company Secretary of the Company be and are hereby authorised individually and/ or severally to do and perform all such acts, deeds, matters and things as may be deemed necessary, expedient, desirable, usual or proper and to settle any question or difficulty that may arise with regard to execution and implementation of the Scheme and for this purpose take all necessary steps for, including but not limited to:

- (a) Finalizing the draft Scheme of Amalgamation;
- (b) Obtaining requisite consent/ intimation/ approval/ permission, as may be required of the Central Government or any other statutory or regulatory authority, including Stock Exchange(s) and/or Securities and Exchange Board of India, if any, or any other regulatory authority, which by law may be necessary for the implementation of this Scheme
- (c) Filing of applications/affidavits with the concerned jurisdictional NCLT or such other competent authority and seeking directions as to holding/dispensing with meeting of the shareholders/creditors of the Company as may be directed by the jurisdictional NCLT to give effect to the Scheme and where necessary to take steps to convene and hold such meetings as per the directions of the jurisdictional NCLT;
- (d) Filing of petitions for confirmation of the Scheme by the jurisdictional NCLT's or such other competent authority;
- (e) For the above purposes to engage advocates, consultants, Company Secretary, Chartered Accountants, and if considered necessary, also engage services of counsel(s), declare and file all pleadings, reports, and sign and issue public advertisements and notices;
- (f) Obtaining approval from such other authorities and parties including the shareholders and creditors, as may be directed by the jurisdictional NCLT, to the said Scheme;
- (g) To settle any question or difficulty that may arise with regard to the implementation of the above Scheme, and to give effect to the above resolution;
- (h) To make any alterations/changes to the Scheme as may be expedient or necessary which does not materially change the substance of the Scheme; and also particularly for satisfying the requirements or conditions imposed by the Central Government or the jurisdictional NCLT or any other authority;
- (i) To suspend, withdraw or revive the scheme from time to time as may be specified by any statutory authority or as may be suo moto decided by the Board in its absolute discretion;
- (j) To sign all applications, petitions, documents, relating to the Scheme and jurisdictional NCLT process or delegate such authority to another person by a valid Power of Attorney;
- (k) To sign the consent affidavit as a shareholder and/or creditor of the Transferor

Company (as applicable); and

**SMARTLINK HOLDINGS LIMITED**

Registered Office : L-7, Verna Industrial Estate, Verna, Salcete, GA, 403722, IN | Land Phone : +91 832 2885400 | Fax : +91 832 2783395  
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Land Phone : +91 22 4961 7068

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**SYNEGRA**



CIN : L67100GA1993PLC001341

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- (I) To do all acts and things as may be considered necessary and expedient in relation to the Scheme including necessary submissions to the regulatory authorities to give effect to the Scheme and for matters connected therewith or incidental thereto."

RESOLVED FURTHER THAT this resolution shall remain in full force and effect until otherwise amended or rescinded by the Board of Directors.

RESOLVED FURTHER THAT a certified true extract of the above resolutions duly signed by anyone of the Directors, be sent to the concerned authorities / regulatory bodies to enable them to give effect to the above resolutions."

*Certified To Be True Copy*

For SMARTLINK HOLDINGS LIMITED

  
K. R. NAIK  
EXECUTIVE CHAIRMAN  
DIN 00002013

**SMARTLINK HOLDINGS LIMITED**

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CIN : L67100GA1993PLC001341

EXHIBIT- H

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**Shridhar & Associates**  
**Chartered Accountants**

To,  
The Board of Directors,  
Smartlink Holdings Limited  
L-7 Verna Industrial Estate, Verna,  
Salcete, Goa, India - 403722

Dear Sir,

Sub: Independent Auditor's Certificate certifying the accounting treatment in the books of Smartlink Holdings Limited as mentioned in Clause 13 of the proposed Scheme of amalgamation between Synegra EMS Limited ("Transferor Company") and Smartlink Holdings Limited ("Transferee Company")

1. This certificate is issued in accordance with the terms and conditions of letter dated February 2, 2024 with the Smartlink Holdings Limited.
2. We, Shridhar and Associates, the statutory auditors of Smartlink Holdings Limited (hereinafter referred to as "the Company"), have examined the accounting treatment specified in Clause 13 of the proposed Scheme of amalgamation between Synegra EMS Limited ("Transferor Company") and Smartlink Holdings Limited ("Transferee Company") and their respective shareholders in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 ("the Act") read with applicable rules made thereunder, with reference to its compliance with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other Generally Accepted Accounting Principles accepted in India. The extract of the clause 13 of the proposed scheme of Amalgamation which has been prepared by the Management is attached as Annexure 1.

**Management's Responsibility**

3. The responsibility for the preparation of the proposed Scheme including the accounting treatment therein as specified in Clause 13 of the Scheme and its compliance with the relevant laws and regulations, including the applicable Accounting Standards as aforesaid, is that of the Board of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Management is also responsible for ensuring that the Company complies with the provisions of Companies Act, 2013 and other laws time being in force.





**Shridhar & Associates**  
**Chartered Accountants**



**Auditor's Responsibility**

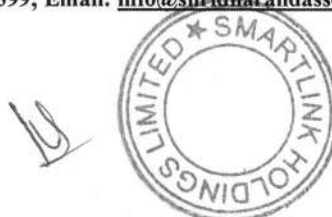
5. Pursuant to the provisions of sections 230 to 232 of the Act read with the Rules made thereunder, our responsibility is to obtain reasonable assurance and form and opinion as to whether the accounting treatment as specified in the proposed Scheme complies with the applicable Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended and Other Generally Accepted Accounting Principles accepted in India.

Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

6. We have verified the following documents furnished by the Company:
- a) The proposed Scheme containing clause 13 dealing with the accounting treatment.
  - b) Audited financial statements of the Company for the year ended March 31, 2023.
7. Financial statements ('FS') of the Company for the year ended March 31, 2023 were prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, we have audited those financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'), those standards require that auditor plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, on which we had issued an unmodified audit opinion dated May 17, 2023.
8. We carried out our examination in accordance with the "Guidance Note on Audit Reports and Certificates for Special Purposes" issued by the Institute of Chartered Accountants of India (the "Guidance Note"). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
9. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

**Opinion**

10. Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid proposed scheme is in compliance with Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended and Other Generally Accepted Accounting Principles accepted in India.



**Shridhar & Associates**  
Chartered Accountants



**Restriction on use**

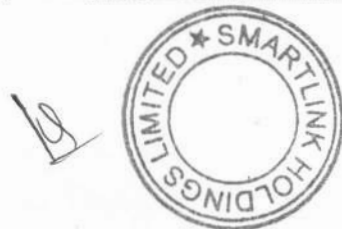
11. This Certificate is issued at the request of Smartlink Holdings Limited pursuant to the requirements of circulars issued under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for onward submission to the BSE Limited, National Stock Exchange of India Limited, Securities and Exchange Board of India, National Company Law Tribunal, Mumbai Bench, Regional Director and any other statutory/regulatory authority for the purpose of obtaining their approval for the proposed Scheme. This Certificate should not be used for any other purpose without our prior written consent.
12. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **Shridhar and Associates**  
Chartered Accountants  
ICAI Firm Registration Number: 134427W

**ABHISHEK**  
**PACHLANGIA**

Digitally signed by ABHISHEK  
PACHLANGIA  
Date: 2024.02.08 21:19:48 +05'30'

**Abhishek Pachlangia**  
Partner  
Membership No. 120593  
UDIN: 24120593BKCAFU7879  
Place: Mumbai  
Date: February 08, 2024



**Annexure 1**

Extract of Clause 13 on accounting treatment of the proposed Scheme of the amalgamation between Synegra EMS Limited ("Transferor Company") and Smartlink Holdings Limited ("Transferee Company") and their respective shareholders in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 ("the Scheme")

**13. ACCOUNTING TREATMENT**

13.1. On the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company shall account for the amalgamation of the Transferor Company in its books of account in accordance with "Pooling of Interest Method" laid down under Appendix C of IND AS 103 (Business combination of entities under common control) and/or any other applicable IND AS, as the case may be, as notified under Section 133 of the Act read with relevant rules issued thereunder.

**For Smartlink Holdings Limited**

Karkala  
Guruprasad  
Prabhu  
Digitally signed by  
Karkala Guruprasad  
Prabhu  
Date: 2024.02.08  
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By: **K.G. Prabhu**

**Chief Financial officer**

Date: February 08, 2024

Place: Verna, Goa

**SMARTLINK HOLDINGS LIMITED**

Registered Office : L-7, Verna Industrial Estate, Verna, Salcete, GA, 403722, IN | Land Phone : +91 832 2885400 | Fax : +91 832 2783395  
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Land Phone : +91 22 4961 7068



**SYNEGRA**

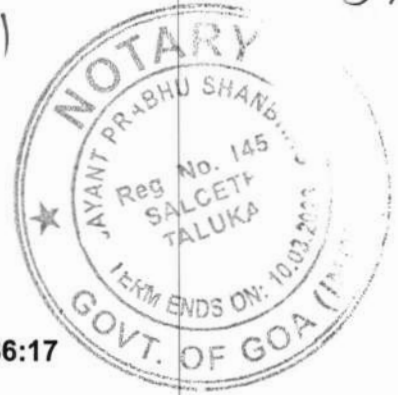
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EXHIBIT: J-1

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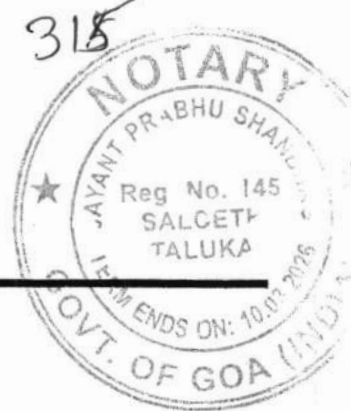
**BSE ACKNOWLEDGEMENT**

Acknowledgement Number	6830376
Date and Time of Submission	2/9/2024 2:10:31 PM
Scripcode and Company Name	532419 - Smartlink Holdings Ltd
Subject / Compliance Regulation	Board Meeting Outcome for Outcome For Board Meeting
Submitted By	URJITA DAMLE
Designation	Company Secretary & Compliance Officer

Disclaimer : - Contents of filings has not been verified at the time of submission.

URJITA





## investors

**From:** Guruprasad Prabhu  
**Sent:** 16 February 2024 15:08  
**To:** Company Secretary; investors; bse.schemes@bseindia.com  
**Subject:** Fwd: Scheme of Amalgamation - Smartlink Holdings Limited  
**Attachments:** SmartlinkStockExchangeIntimationSchemeofAmalgamation.pdf; FT402156906666\_Payment Advice.pdf

Dear Sir/Madam

**Company Name: Smartlink Holdings Limited**  
**BSE Scrip Code: 532419**

In accordance with the provisions of Regulations 37(6) of the Listing Regulations read with the SEBI Circular, please find attached herewith the Scheme of Amalgamation between Synegra EMS Limited ("Transferor Company"), Wholly-owned Subsidiary with Smartlink Holdings Limited ("Transferee Company") and their respective shareholders under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for the purpose of disclosures and dissemination on website.

Also please find attached herewith the Payment advice for the processing fees paid for the Scheme of Amalgamation.

Thanks and Regards,

K. G. Prabhu  
Compliance officer  
Smartlink Holdings Limited

---

**From:** Tanmayi Lele <tanmayi.lele@bseindia.com>  
**Sent:** 15 February 2024 16:03  
**To:** investors <investors@smartlinkholdings.com>  
**Cc:** Guruprasad Prabhu <Guruprasad.Prabhu@smartlinkholdings.com>; BSE Schemes <bse.schemes@bseindia.com>; Company Secretary <Company.Secretary@smartlinkholdings.com>  
**Subject:** RE: Virtual Account Number - Smartlink Holdings Limited

Dear Team,

Please find below are the virtual bank account details:

RTGS/ NEFT Beneficiary Name: BSE Limited  
Credit Account Number: BSEALOD8987L  
Bank : ICICI Bank Limited  
IFSC Code: ICIC0000104  
Branch : CMS Branch

Bank Address: 1ST FLOOR EMPIRE COMPLEX 414 S.B MARG LOWER PAREL MUMBAI 400 013

Note: While remitting the funds through RTGS/ NEFT please incorporate the following Beneficiary details. Kindly note account numbers given above are company specific and company should be careful while transferring the funds using company code or the same will be credited in wrong company's account

Regards,  
**Tanmayi Lele**  
Assistant Manager  
Listing Operations  
BSE Limited, MUMBAI  
Mobile : 9833654806





This mail is classified as 'BSE - PUBLIC' by tanmay.lele on February 15, 2024 at 16:02:32.

**From:** investors <investors@smartlinkholdings.com>

**Sent:** Thursday, February 15, 2024 3:49 PM

**To:** BSE Schemes <bse.schemes@bseindia.com>

**Cc:** Guruprasad Prabhu <Guruprasad.Prabhu@smartlinkholdings.com>; Company Secretary <Company.Secretary@smartlinkholdings.com>

**Subject:** Virtual Account Number - Smartlink Holdings Limited

**\*CAUTION\*: THIS EMAIL ORIGINATED FROM OUTSIDE OF THE ORGANIZATION. DO NOT CLICK LINKS OR OPEN ATTACHMENTS UNLESS YOU RECOGNIZE THE SENDER AND KNOW THE CONTENT IS SAFE.**

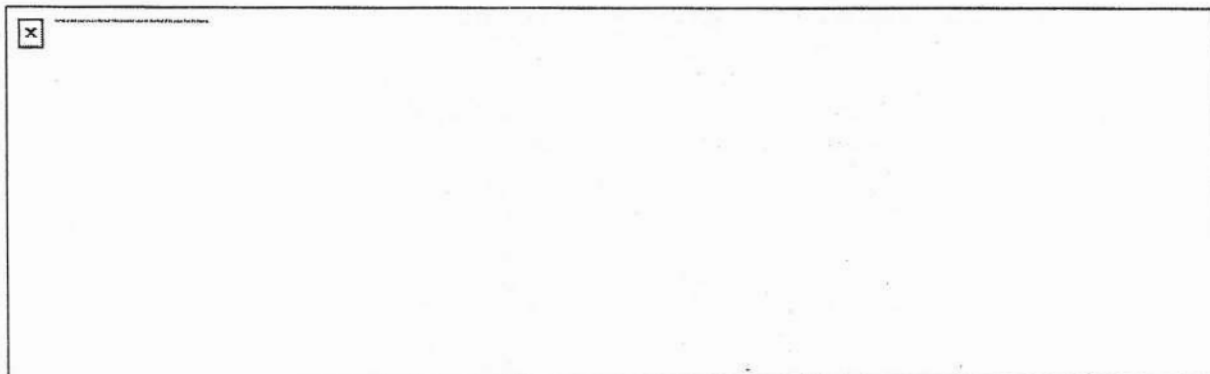
Dear Sir/Madam

Company Name: Smartlink Holdings Limited

BSE Scrip Code: 532419

As discussed over call request you to kindly provide virtual account number for transfer of BSE Processing fees for Scheme of Amalgamation of wholly owned subsidiary with the Holding Company.

Thanks and Regards,  
Edlan Fernandes  
Legal & Secretarial  
Smartlink Holdings Limited

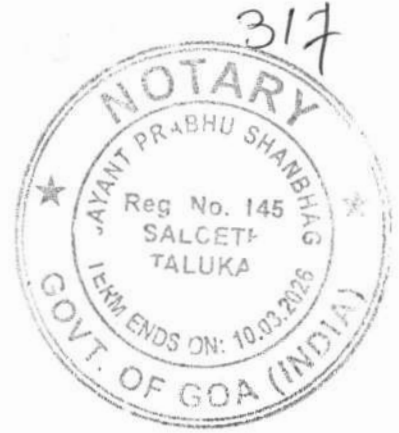


DISCLAIMER : The contents of this message may be legally privileged and confidential and are for the use of the intended recipient(s) only. It should not be read, copied and used by anyone other than the intended recipient(s). If you have received this message in error, please immediately notify the sender, preserve its confidentiality and delete it. Before opening any attachments please check them for viruses and defects. DISCLAIMER : The contents of this message may be legally privileged and confidential and are for the use of the intended recipient(s) only. It should not be read, copied and used by anyone other than the intended recipient(s). If you have received this message in error, please immediately notify the sender, preserve its confidentiality and delete it. Before opening any attachments please check them for viruses and defects.





EXHIBIT- I-2



National Stock Exchange Of India Limited

Date of

09-Feb-2024

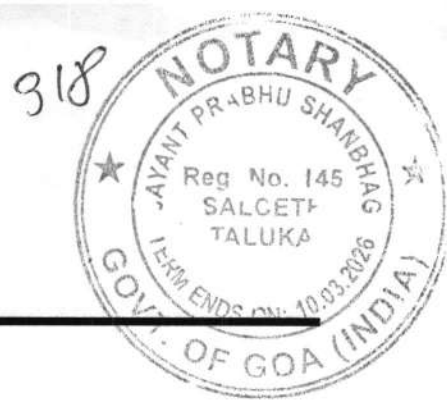
**NSE Acknowledgement**

Symbol:-	SMARTLINK
Name of the Company:-	Smartlink Holdings Limited
Submission Type:-	Board Meetings
Short Description:-	Outcome of Board Meeting
Date of Submission:-	09-Feb-2024 02:12:15 PM
NEAPS App. No:-	2024/Feb/8336/8419

Disclaimer : We hereby acknowledge receipt of your submission through NEAPS. Please note that the content and information provided is pending to be verified by NSEIL.

10





## investors

---

**From:** Guruprasad Prabhu  
**Sent:** 19 February 2024 14:32  
**To:** investors  
**Subject:** Fwd: Application Number 249 for Scheme of Amalgamation with Wholly owned subsidiary Allocated

Get [Outlook for iOS](#)

---

**From:** neaps@nse.co.in <neaps@nse.co.in>  
**Sent:** Monday, February 19, 2024 2:31:35 PM  
**To:** Company.Secretary@smartlink.co.in <Company.Secretary@smartlink.co.in>; Company Secretary <Company.Secretary@smartlinkholdings.com>  
**Subject:** Application Number 249 for Scheme of Amalgamation with Wholly owned subsidiary Allocated

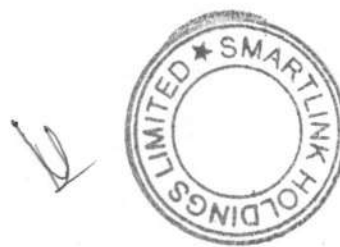
Dear Sir/Madam,

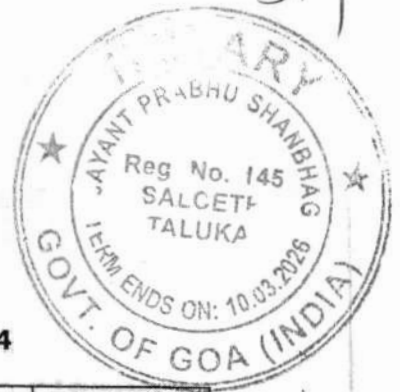
We acknowledge the receipt of your Application Number 249 under Scheme of Amalgamation with Wholly owned subsidiary.

Your application is being handled by Ms/Mr. Kishan Rastogi ( ).

You may contact her/him at 022-26598100-( Ext: ) and email id : for query if any.

Regards,  
National Stock Exchange of India Limited.



**SYNEGRA**

**SYNEGRA EMS LIMITED**  
**LIST OF EQUITY SHAREHOLDERS AS ON MARCH 04, 2024**

Sr. No.	Name & address of shareholders	Address	Equity Shares Held	Face Value Per share (Rs.)
1	Smartlink Holdings Limited (Resident Shareholder)	L-7, Verna Industrial Estate, Verna, Salcete, Goa - 403722	2,49,99,994	10/-
2	Karkala Guruprasad Prabhu (Nominee shareholder of Smartlink Holdings Limited) (Resident Shareholder)	Shri Ravalnath kripa, Plot 26A, Behind Durga Petrol Pump, Fatorda, Margao Goa 403602	1	10/-
3	Vishnudas Purushottam Naikparsekar (Nominee shareholder of Smartlink Holdings Limited) (Resident Shareholder)	H. No. 828/V, Rainbow Valley, Mugalli, Sao-Jose-de-Areal, South Goa, 403709 Goa India	1	10/-
4	Shridhar Narayan Kadam (Nominee shareholder of Smartlink Holdings Limited) (Resident Shareholder)	A-702, Golden Square, CHSL, Off CST Road, Sunder Nagar, Kalina, Mumbai, Vidyanagari, Mumbai, Maharashtra, 400098	1	10/-
5	Vijay Gopalkrishna Rane (Nominee shareholder of Smartlink Holdings Limited) (Resident Shareholder)	Flat No. 406, Vasant Arcade, Near Popular High School, Margao, South Goa, Goa 403601	1	10/-
6	Rajesh Yeshwant Prabhu (Nominee shareholder of Smartlink Holdings Limited) (Resident Shareholder)	Rosadel Enclave, F. No. F-6, Bldg. A, 1 <sup>st</sup> Floor, Near District Court, Margao, Goa 403601 India	1	10/-
7	Basilio D'costa (Nominee shareholder of Smartlink Holdings Limited) (Resident Shareholder)	H. No. 78, Rassaim Loutulim, Salcete Goa, Loutulim, South Goa, Goa, 403718	1	10/-
	<b>Total</b>		<b>2,50,00,000</b>	

CERTIFIED TO BE TRUE COPY  
 For **SYNEGRA EMS LIMITED**

**K. G. PRABHU**  
 AUTHORISED SIGNATORY

**SYNEGRA EMS LIMITED**

Registered Office : Plot No. L-5A, Verna Industrial Estate, Verna, Salcete, South Goa, GA, 403722, IN  
 Land Phone : +91 832 2885433 | Fax: +91 832 2783395 | [helpdesk@synegra.com](mailto:helpdesk@synegra.com) | [www.synegra.com](http://www.synegra.com)

CIN : U31909GA2016PLC012969

A Subsidiary of Smartlink Holdings Ltd.







गोवा GOA

Serial No. 3617 Place of Validity Cortalim Date: 6/3/24  
 Vendor Antonio J. Fernandes 20 Cortalim Goa  
 Licence No. JH/MEN/44/10011/24 of Stamp paper 100/-  
 Name & Address of the Purchaser Smartlink Holdings Ltd.  
 Registered Office Verna  
 Purpose Affidavit  
 As per  
 Antiquity of the stamp & the value is as shown along with  
 Signature of Vendor  
 Signature of Purchaser

B 389212



**AFFIDAVIT OF SMARTLINK HOLDINGS LIMITED CONSENTING TO THE SCHEME OF AMALGAMATION BETWEEN SYNEGRA EMS LIMITED ("TRANSFEROR COMPANY") AND SMARTLINK HOLDINGS LIMITED ("TRANSFeree COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS**

I, Karkala Guruprasad Prabhu, S/o. Narsimha Karkala Prabhu, age 52 years, Chief Financial Officer of Smartlink Holdings Limited, Indian Inhabitant, having my office at L-7, Verna Industrial Estate, Verna, Salcete, Goa, 403722 do solemnly affirm and state as under:

- i. That Smartlink Holdings Limited is the **Equity Shareholder** of **Synegra EMS Limited**, holding 2,49,99,994 (Two Crore Forty-Nine Lakh Ninety-Nine Thousand Nine Hundred and Ninety-Four) Equity shares singly and jointly as on 29<sup>th</sup> February, 2024.
- ii. That we have read and understood the Scheme of Amalgamation between Synegra EMS Limited and Smartlink Holdings Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme") as approved by the Board of Directors of the respective Companies.
- iii. That we, understand that this Scheme is subject to, *inter alia*, the approval of the National Company Law Tribunal at Mumbai (the "NCLT") and/or any other such competent authority, as may be applicable.
- iv. That in the capacity as the **Equity Shareholder** of **Synegra EMS Limited**, we hereby confirm that we fully and unconditionally support the Scheme and every step, which may be taken by the Company, its directors or authorised representatives for implementation of the Scheme.
- v. That we also convey my "**No objection**" to the Company from seeking dispensation of holding of the meeting of the Equity Shareholders for approval of the Scheme from the NCLT.
- vi. That we hereby waive our right to receive notices of any meeting of the Equity Shareholders and proceedings before the NCLT for obtaining sanction to the Scheme since, we are fully supportive to the Scheme and its implementation.

For Smartlink Holdings Limited

Solemnly affirmed and signed )

on this 18<sup>th</sup> day of March, 2024 )

at Verna Goa )

**Karkala Guruprasad Prabhu**  
Designation: **Chief Financial Officer**



Solemnly Affirmed Before me  
**Mr. Karkala Guruprasad Prabhu**  
Who is identified by  
To whom I am duly known  
Reg. No. 3321/2024  
Date: - 18/03/24  
(Initials)  
**JAYANT S. PRABHU SHANSHAO**  
NOTARY, MARGAO  
SALCETE TALUKA  
STATE OF GOA, INDIA



गोवा GOA

B 389213

Serial No. 3618 Place of Venuing Cortalim Date 6/3/24  
 Vendor Antonio J. Fernandes S/o Cortalim Goa  
 Licence No. JU/VEN-LI/112013/AG-1 Value of Stamp paper 100/-  
 Name & Add of Purchaser K. G. Prabhu  
 K. G. Prabhu  
 Res. Verna Narmimha K Prabhu  
 Purpose Affidavit  
 As there is no one else  
 Additional Stamp Paper to be affixed to the value is submitted along with  
 Signature of Stamp Vendor  
 Signature of Purchaser



**AFFIDAVIT OF KARKALA GURUPRASAD PRABHU CONSENTING TO THE  
 SCHEME OF AMALGAMATION BETWEEN SYNEGRA EMS LIMITED  
 ("TRANSFEROR COMPANY") AND SMARTLINK HOLDINGS LIMITED  
 ("TRANSFeree COMPANY") AND THEIR RESPECTIVE SHAREHOLDERS**

I, Karkala Guruprasad Prabhu, S/o. Narsimha Karkala Prabhu, age 52 years, residing at Plot No: 26-A, Behind Durga Petrol Pump, Fatorda, Margao 403602, do solemnly affirm and state as under:





That I am **Equity Shareholder (holding as a nominee of Smartlink Holdings Limited)** of **Synegra EMS Limited**, holding 1 (One) Equity share as on 29<sup>th</sup> February, 2024.

- ii. That I have read and understood the Scheme of Amalgamation between Synegra EMS Limited and Smartlink Holdings Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme") as approved by the Board of Directors of the respective Companies.
- iii. That I, understand that this Scheme is subject to, *inter alia*, the approval of the National Company Law Tribunal at Mumbai (the "NCLT") and/or any other such competent authority, as may be applicable.
- iv. That in the capacity as the **Equity Shareholder (holding as a nominee of Smartlink Holdings Limited)** of **Synegra EMS Limited**, I hereby confirm that I fully and unconditionally support the Scheme and every step, which may be taken by the Company, its directors or authorised representatives for implementation of the Scheme.
- v. That I also convey my "**No objection**" to the Company from seeking dispensation of holding of the meeting of the Equity Shareholders for approval of the Scheme from the NCLT.
- vi. That I hereby waive my right to receive notices of any meeting of the Equity Shareholders and proceedings before the NCLT for obtaining sanction to the Scheme since, we are fully supportive to the Scheme and its implementation.

Solemnly affirmed and signed )

on this 18<sup>th</sup> day of March, 2024 )

at Verna Goa )

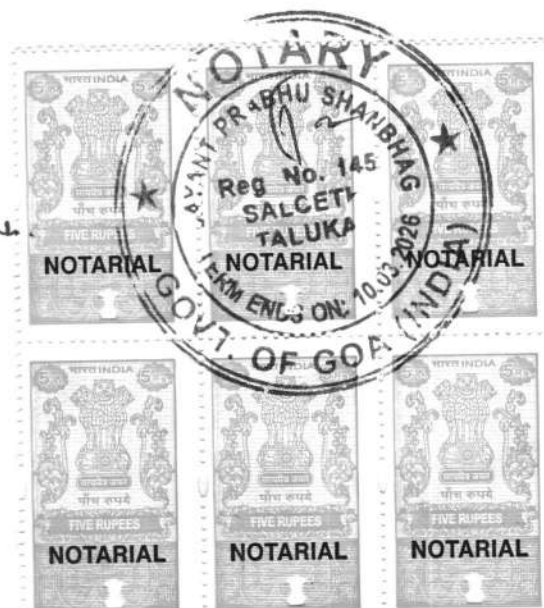
**Karkala Guruprasad Prabhu**

My - **Karkala Guruprasad Prabhu**  
Who is Identified by **Prabhu**

To whom I personally know  
Reg. No. **325/2024**  
Date: **18/03/24**

(**Prabhu**)

**JAYANT S. PRABHU SHANBHAG**  
NOTARY, MA GAO  
SALCETE TALUKA  
STATE OF GOA / INDIA





गोवा GOA

Serial No. 3619 Place of Vending Cortalim Date 6/3/24  
 Vendor Antonio J. Fernandes R/o. Cortalim Goa  
 Licence No. JUMVEN-11/112013/2014 Value of Stamp paper 100/-  
 Name & Address of Purchaser Vishnudas Parsekar  
 For Verena Purushottam Naik Parsekar  
 Purpose Affidavit  
 As per the provisions of the Stamp Act, 1899, the value of the instrument is attached along with  
 Signature of Stamp Vendor  
 Signature of Purchaser

B 389214



**AFFIDAVIT OF VISHNUDAS PURSHOTTAM NAIK PARSEKAR**  
**CONSENTING TO THE SCHEME OF AMALGAMATION BETWEEN**  
**SYNEGRA EMS LIMITED ("TRANSFEROR COMPANY") AND**  
**SMARTLINK HOLDINGS LIMITED ("TRANSFeree COMPANY") AND**  
**THEIR RESPECTIVE SHAREHOLDERS**

I, Vishnudas Purshottam Naik Parsekar, S/o. Purshottam Parsekar, age 50 years, residing at House No 828/V, Mugalli, Goa, 403709, do solemnly affirm and state as under:

- i. That I am **Equity Shareholder (holding as a nominee of Smartlink Holdings Limited)** of **Synegra EMS Limited**, holding 1 (One) Equity share as on 29<sup>th</sup> February, 2024.
- ii. That I have read and understood the Scheme of Amalgamation between Synegra EMS Limited and Smartlink Holdings Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme") as approved by the Board of Directors of the respective Companies.
- iii. That I, understand that this Scheme is subject to, *inter alia*, the approval of the National Company Law Tribunal at Mumbai (the "NCLT") and/or any other such competent authority, as may be applicable.
- iv. That in the capacity as the **Equity Shareholder (holding as a nominee of Smartlink Holdings Limited)** of **Synegra EMS Limited**, I hereby confirm that I fully and unconditionally support the Scheme and every step, which may be taken by the Company, its directors or authorised representatives for implementation of the Scheme.
- v. That I also convey my "**No objection**" to the Company from seeking dispensation of holding of the meeting of the Equity Shareholders for approval of the Scheme from the NCLT.
- vi. That I hereby waive my right to receive notices of any meeting of the Equity Shareholders and proceedings before the NCLT for obtaining sanction to the Scheme since, we are fully supportive to the Scheme and its implementation.

Solemnly affirmed and signed )

on this 18<sup>th</sup> day of March, 2024 )

at Verna Goa )

*[Signature]*

**Vishnudas Purshottam Naik Parsekar**

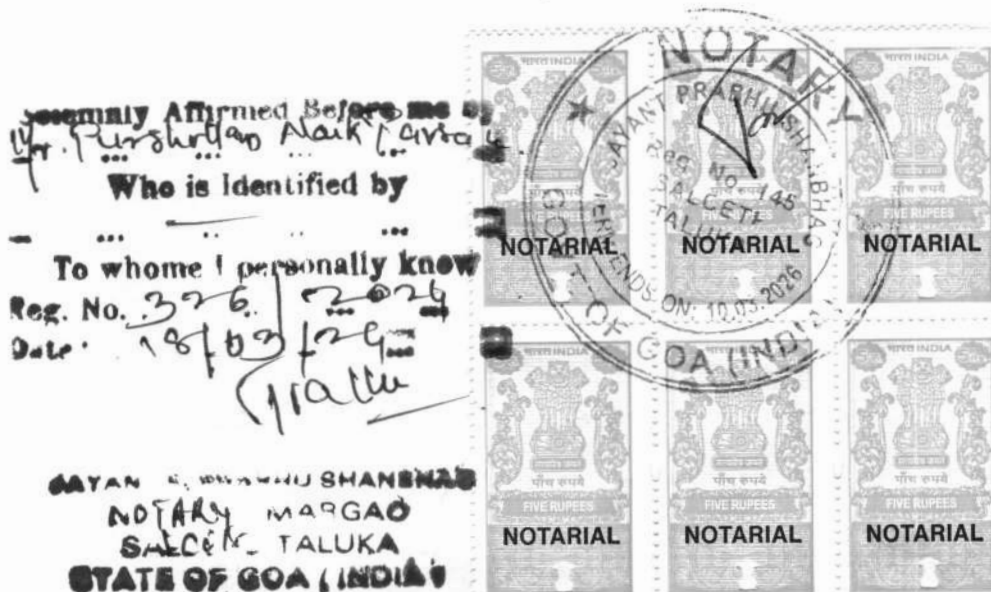




EXHIBIT- K.4

326



महाराष्ट्र MAHARASHTRA

80AA 567887



Reg No	1	SP No	812
Page No	87	Date	15/3/24

11 MAR 2024

**AFFIDAVIT OF SHRIDHAR NARAYAN KADAM CONSENTING TO THE  
SCHEME OF AMALGAMATION BETWEEN SYNEGRA EMS LIMITED  
("TRANSFEROR COMPANY") AND SMARTLINK HOLDINGS LIMITED  
("TRANSFeree COMPANY") AND THEIR RESPECTIVE  
SHAREHOLDERS**

I, Shridhar Narayan Kadam, S/o. Narayan Kadam, age 54 years, residing at A-702, Golden square CHSL, Off CST Road, Sunder Nagar, Kalina, Mumbai, Vidyanagari, Mumbai, Maharashtra, 400098, do solemnly affirm and state as under:

- i. That I am **Equity Shareholder (holding as a nominee of Smartlink Holdings Limited)** of **Synegra EMS Limited**, holding 1 (One) Equity share as on 02<sup>nd</sup> March, 2024.
- ii. That I have read and understood the Scheme of Amalgamation between Synegra EMS Limited and Smartlink Holdings Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme") as approved by the Board of Directors of the respective Companies.
- iii. That I, understand that this Scheme is subject to, *inter alia*, the approval of the National Company Law Tribunal at Mumbai (the "NCLT") and/or any other such competent authority, as may be applicable.
- iv. That in the capacity as the **Equity Shareholder (holding as a nominee of Smartlink Holdings Limited)** of **Synegra EMS Limited**, I hereby confirm that I fully and unconditionally support the Scheme and every step, which may be taken by the Company, its directors or authorised representatives for implementation of the Scheme.
- v. That I also convey my "**No objection**" to the Company from seeking dispensation of holding of the meeting of the Equity Shareholders for approval of the Scheme from the NCLT.
- vi. That I hereby waive my right to receive notices of any meeting of the Equity Shareholders and proceedings before the NCLT for obtaining sanction to the Scheme since, we are fully supportive to the Scheme and its implementation.

Solemnly affirmed and signed )  
 on this 15<sup>th</sup> day of March, 2024 )  
 at Mumbai )

Shridhar Narayan Kadam



**BEFORE ME**  
**RAJKUMAR P. MOHITE**  
 ADVOCATE & NOTARY  
 [ GOVT. OF INDIA ]  
 Khandivda (L) Salve Nagar,  
 MIDC Road No. 13, Behind Sun City Hotel,  
 Andheri (E), Mumbai-400 093.

EXHIBIT: K-5

58328



गोवा GOA

Serial No. 3620 Place of Venuing Cortalim Date 6/3/24

B 389215

Vendor Antonio J. Fernandes V/o Cortalim Goa

Licence No. JUDAVEN-14, 14/03/24, 100/-

Name &amp; Address of the Vendor Vijay Rane

Residence Verena Gopal Krishna Rane

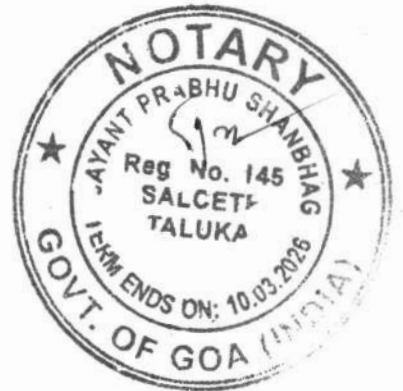
Particular Affidavit

As per the above

Amount of Rs. 100/- for the purchase of the value is attached along with

Signature of Vendor

Signature of Purchaser



**AFFIDAVIT OF VIJAY GOPALKRISHNA RANE CONSENTING TO THE  
SCHEME OF AMALGAMATION BETWEEN SYNEGRA EMS LIMITED  
("TRANSFEROR COMPANY") AND SMARTLINK HOLDINGS LIMITED  
("TRANSFeree COMPANY") AND THEIR RESPECTIVE  
SHAREHOLDERS**

I, **Vijay Gopal Krishna Rane**, S/o. Gopal Krishna Rane, age **55** years, residing at Flat No 406, Vasant Arcade, Comba, Margao Goa, 403601, do solemnly affirm and state as under:




- i. That I am **Equity Shareholder (holding as a nominee of Smartlink Holdings Limited)** of **Synegra EMS Limited**, holding 1 (One) Equity share as on 29<sup>th</sup> February, 2024.
- ii. That I have read and understood the Scheme of Amalgamation between Synegra EMS Limited and Smartlink Holdings Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme") as approved by the Board of Directors of the respective Companies.
- iii. That I, understand that this Scheme is subject to, *inter alia*, the approval of the National Company Law Tribunal at Mumbai (the "NCLT") and/or any other such competent authority, as may be applicable.
- iv. That in the capacity as the **Equity Shareholder (holding as a nominee of Smartlink Holdings Limited)** of **Synegra EMS Limited**, I hereby confirm that I fully and unconditionally support the Scheme and every step, which may be taken by the Company, its directors or authorised representatives for implementation of the Scheme.
- v. That I also convey my "**No objection**" to the Company from seeking dispensation of holding of the meeting of the Equity Shareholders for approval of the Scheme from the NCLT.
- vi. That I hereby waive my right to receive notices of any meeting of the Equity Shareholders and proceedings before the NCLT for obtaining sanction to the Scheme since, we are fully supportive to the Scheme and its implementation.

Solemnly affirmed and signed )

on this 18<sup>th</sup> day of March, 2024 )

at Verna Goa )

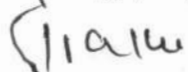
  
Vijay Gopalkrishna Rane

Solemnly Affirmed Before me by  
Mr. Vijay G. Rane  
Who is Identified by

To whom I personally know

Reg. No. 328/2024

Date: 18/03/24



JAYANT S. PRABHU SHANBHAG  
NOTARY, MARGAO  
SALCETE TALUKA  
STATE OF GOA (INDIA)





गोवा GOA



Serial No. 3621 Place of Venuing Cordalim Date 6/3/24  
 Vendor Antonio J. Fernandes & Co. 100/-  
 Rajesh Prabhushan  
 Yeshwant Prabhushan  
 Verna Affidavit  
 Signature of Stamp Vendor  
 Signature of Prabhushan

B 389216

**AFFIDAVIT OF RAJESH YESHWANT PRABHU CONSENTING TO THE  
 SCHEME OF AMALGAMATION BETWEEN SYNEGRA EMS LIMITED  
 ("TRANSFEROR COMPANY") AND SMARTLINK HOLDINGS LIMITED  
 ("TRANSFeree COMPANY") AND THEIR RESPECTIVE  
 SHAREHOLDERS**

I, **Rajesh Yeshwant Prabhu**, S/o. Yeshwant Prabhu, age 52 years, residing at F. No. F-6, Building A, 1<sup>st</sup> Floor, Margao, Goa 403601, do solemnly affirm and state as under:



i. That I am **Equity Shareholder (holding as a nominee of Smartlink Holdings Limited)** of **Synegra EMS Limited**, holding 1 (One) Equity share as on 29<sup>th</sup> February, 2024.

That I have read and understood the Scheme of Amalgamation between Synegra EMS Limited and Smartlink Holdings Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme") as approved by the Board of Directors of the respective Companies.

- iii. That I, understand that this Scheme is subject to, *inter alia*, the approval of the National Company Law Tribunal at Mumbai (the "NCLT") and/or any other such competent authority, as may be applicable.
- iv. That in the capacity as the **Equity Shareholder (holding as a nominee of Smartlink Holdings Limited)** of **Synegra EMS Limited**, I hereby confirm that I fully and unconditionally support the Scheme and every step, which may be taken by the Company, its directors or authorised representatives for implementation of the Scheme.
- v. That I also convey my "**No objection**" to the Company from seeking dispensation of holding of the meeting of the Equity Shareholders for approval of the Scheme from the NCLT.
- vi. That I hereby waive my right to receive notices of any meeting of the Equity Shareholders and proceedings before the NCLT for obtaining sanction to the Scheme since, we are fully supportive to the Scheme and its implementation.

Solemnly affirmed and signed )

on this 18<sup>th</sup> day of March, 2024 )

at Verna Goa )

Rajesh Yeshwant Prabhu

Solemnly Affirmed Before me by  
**Mr. Rajesh Y. Prabhu**  
 Who is Identified by  
 ...  
 To whom I personally know  
 Reg No 329 / 2024  
 Date 18/03/24  
 (Signature)  
**JAYANT S. PRABHU SHAMBHAR**  
 NOTARY, MAREGA  
 SALCETE TALUKA  
 STATE OF GOA (INDIA)







गोवा GOA

Serial No. 3622 Place of Vending Cortalim Date 6/3/24

B 389217

Vendor Antonio J. Fernandes S/o. Cortalim Goa

Licence No. JUT/VEN-LI/11/2013/AC-1 Value of Stamp paper 100/-

Name &amp; Add. of Purchaser Basilio D'Costa

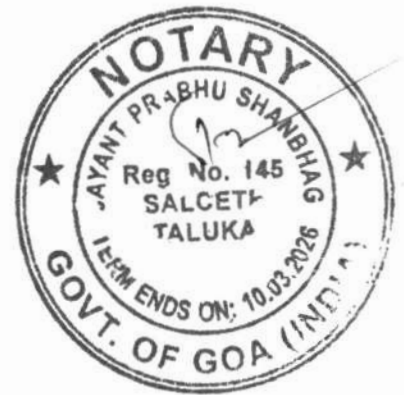
Res. Verna

Purpose Affidavit

As there is no one single Paper for the completion of the value is attached along with

Signature of Stamp Vendor

Signature of Purchaser



**AFFIDAVIT OF BASILIO BERNARD D'COSTA CONSENTING TO THE  
SCHEME OF AMALGAMATION BETWEEN SYNEGRA EMS LIMITED  
("TRANSFEROR COMPANY") AND SMARTLINK HOLDINGS LIMITED  
("TRANSFeree COMPANY") AND THEIR RESPECTIVE  
SHAREHOLDERS**

I, **Basilio Bernard D'Costa**, S/o. Bernard D'Costa, age 55 years, residing at H. No. 78, Rassaim, Loutulim, Salcete Goa, Loutulim, South Goa, Goa, 403718, do solemnly affirm and state as under:

*Bld*



That I am **Equity Shareholder (holding as a nominee of Smartlink Holdings Limited)** of **Synegra EMS Limited**, holding 1 (One) Equity share as on 29<sup>th</sup> February, 2024.

That I have read and understood the Scheme of Amalgamation between Synegra EMS Limited and Smartlink Holdings Limited and their respective shareholders under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 (the "Scheme") as approved by the Board of Directors of the respective Companies.

- iii. That I, understand that this Scheme is subject to, *inter alia*, the approval of the National Company Law Tribunal at Mumbai (the "NCLT") and/or any other such competent authority, as may be applicable.
- iv. That in the capacity as the **Equity Shareholder (holding as a nominee of Smartlink Holdings Limited)** of **Synegra EMS Limited**, I hereby confirm that I fully and unconditionally support the Scheme and every step, which may be taken by the Company, its directors or authorised representatives for implementation of the Scheme.
- v. That I also convey my "**No objection**" to the Company from seeking dispensation of holding of the meeting of the Equity Shareholders for approval of the Scheme from the NCLT.
- vi. That I hereby waive my right to receive notices of any meeting of the Equity Shareholders and proceedings before the NCLT for obtaining sanction to the Scheme since, we are fully supportive to the Scheme and its implementation.

Solemnly affirmed and signed )

on this 18<sup>th</sup> day of March, 2024 )

at Verna Goa )

*Basilio Bernard D'Costa*

Basilio Bernard D'Costa

~~Security Affirmed before me by~~  
 Mr. *Basilio Bernard D'Costa*  
 Who is Identified by \_\_\_\_\_  
 To whom I personally know  
 Reg. No. *2301/2024*  
 Date: *18/03/24*  
*(Signature)*  
**JAYANT S. PRABHU SHANSHAB**  
 NOTARY, MARGAO  
 SALCETE TALUKA  
 STATE OF GOA (INDIA)

