



Smartlink Network Systems Ltd

DIGISOL House, Plot No. 5, Kurla Bandra Complex Road, Santacruz (E), Mumbai - 400 098, India.
Tel +91 22 3061 6666 / 2652 6696, Fax +91 22 2652 8914

May 8, 2012

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

Dear Sir,

Sub: Audited Financial Results for the Year ended 31st March, 2012 and recommendation of Dividend.

Pursuant to clause 41 of the Listing Agreement, please find enclosed Audited Financial Results for the year ending 31st March, 2012 which was duly approved by the Board of Directors of the Company at its meeting held today.

The Board of Directors has also recommended a Dividend @ 100% i.e. Rs. 2/- per Equity Share for the financial year 2011-12.

Kindly take note of the above and acknowledge the Receipt.

Thanking You,

Yours Faithfully,

For **SMARTLINK NETWORK SYSTEMS LIMITED**

K. G. PRABHU
COMPANY SECRETARY

Smartlink Network Systems Limited

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

PART I

STATEMENT OF UNAUDITED / AUDITED RESULTS FOR THE QUARTER AND FOR THE YEAR ENDED 31st MARCH 2012

		(Rs. In lakhs)						
Sr. No.	Particulars	3 months ended 31.03.2012 (Unaudited)	Preceding 3 months ended 31.12.2011 (Unaudited)	Corresponding 3 months ended 31.03.2011 in the previous year (Unaudited)	Current year ended 31.03.2012 (Audited)	Previous year ended 31.03.2011 (Audited)	Current year ended 31.03.2012 (Audited) (consolidated) #	Previous year ended 31.03.2011 (Audited) (consolidated) #
1	Income from Continuing operations							
	a) Net sales / Income from Operations (net of excise duty)	2,355.68	1,851.90	859.06	6,918.66	3,291.43	6,935.23	3,291.43
	b) Other Operating Income	12.16	5.33	28.18	20.49	222.54	20.49	222.54
	Total income from operations (net)	2,367.84	1,857.23	887.24	6,939.15	3,513.97	6,955.72	3,513.97
2	Expenses							
	a) Cost of materials consumed	1,073.54	806.10	196.90	2,917.73	1,073.02	2,917.73	1,073.02
	b) Purchase of traded goods	774.60	1,070.20	383.92	3,391.67	769.48	3,405.41	769.48
	c) Changes in inventories of finished goods, work-in-progress and traded goods	(166.78)	(757.25)	(48.67)	(1,746.32)	(345.02)	(1,746.32)	(345.02)
	d) Employee benefits expense	608.85	625.99	417.36	2,588.58	1,752.67	2,588.58	1,752.67
	e) Depreciation and amortisation expense	93.49	103.87	156.92	429.80	633.16	429.88	633.18
	f) Other Expenses	866.71	856.59	446.79	2,864.02	1,258.25	2,873.60	1,258.26
	Total Expenses	3,250.41	2,705.50	1,553.22	10,445.48	5,141.56	10,468.88	5,141.59
3	(Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1-2)	(882.57)	(848.27)	(665.98)	(3,506.33)	(1,627.59)	(3,513.16)	(1,627.62)
4	Other Income	947.73	777.09	143.88	3,097.99	549.18	3,098.93	549.18
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	65.16	(71.18)	(522.10)	(408.34)	(1,078.41)	(414.23)	(1,078.44)
6	Finance costs	0.78	2.51	5.23	5.26	12.99	5.26	12.98
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)	64.38	(73.69)	(527.33)	(413.60)	(1,091.40)	(419.49)	(1,091.42)
8	Exceptional Items (Refer Note 1)	-	-	-	47,095.09	-	47,095.09	-
9	Profit / (Loss) from ordinary activities before tax (7+8)	64.38	(73.69)	(527.33)	46,681.49	(1,091.40)	46,675.60	(1,091.42)
10	Tax expense	60.55	(131.39)	(237.72)	10,101.08	(597.51)	10,101.08	(597.51)
11	Net Profit / (Loss) from ordinary activities after Tax (9-10)	3.83	57.70	(289.61)	36,580.41	(493.89)	36,574.52	(493.91)
12	Extraordinary items (net of tax expense)	-	-	-	-	-	-	-
13	Net Profit / (Loss) from continuing operations (11 + 12)	3.83	57.70	(289.61)	36,580.41	(493.89)	36,574.52	(493.91)
14	Profit from discontinuing operations (before tax) (Refer note 2 & 3)	-	-	1,212.23	77.26	3,217.93	89.63	3,152.57
15	Tax expense	-	-	375.00	12.91	1,067.92	12.91	1,067.92
16	Profit from discontinuing operations (after tax) (14 - 15)	-	-	837.23	64.35	2,150.01	76.72	2,084.65
17	Net Profit / (Loss) for the period (13 + 16)	3.83	57.70	547.62	36,644.76	1,656.12	36,651.24	1,590.74
18	Minority interest	-	-	-	-	-	-	-
19	Net Profit / (Loss) after taxes, minority interest (13+14)	3.83	57.70	547.62	36,644.76	1,656.12	36,651.24	1,590.74
20	Paid Up Equity Share Capital (Face Value Rs.2/-)	600.10	600.10	600.10	600.10	600.10	600.10	600.10
21	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year.				15,839.53	14,880.85	15,774.60	-
22	Basic and Diluted Earnings per share (before and after extraordinary items) (of Rs. 2/- each) (*not annualised)	0.01	0.19	1.83	122.13	5.52	122.15	5.30
	See accompanying notes to the financial results							

The Consolidated financial results includes the results of the 100% subsidiary M/s Smartlink Middle East FZE (formerly Digilink Middle East FZE)

PART - II

SELECT INFORMATION FOR THE QUARTER AND YEAR ENDED MARCH 31, 2012

Sr. No.	Particulars	3 months ended 31.03.2012 (Unaudited)	Preceding 3 months ended 31.12.2011 (Unaudited)	Corresponding 3 months ended 31.03.2011 in the previous year (Unaudited)	Current year ended 31.03.2012 (Audited)	Previous year ended 31.03.2011 (Audited)	Current year ended 31.03.2012 (Audited) (consolidated) #	Previous year ended 31.03.2011 (Audited) (consolidated) #
A	PARTICULARS OF SHAREHOLDING							
1	Public Shareholding							
	- Number of Shares	8,312,850	9,250,874	9,802,830	8,312,850	9,802,830	8,312,850	9,802,830
	- Percentage of Shareholding	27.71%	30.83%	32.67%	27.71%	32.67%	27.71%	32.67%
2	Promoters and Promoter Group Shareholding							
	a) Pledged / Encumbered							
	- Number of Shares	-	-	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-	-
	b) Non-encumbered							
	-Number of shares	21,692,000	20,753,976	20,202,020	21,692,000	20,202,020	21,692,000	20,202,020
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%	100%	100%
	-Percentage of shares (as a % of the total share capital of the Company)	72.29%	69.17%	67.33%	72.29%	67.33%	72.29%	67.33%
B	INVESTOR COMPLAINTS	3 months ended 31.03.2012						
	Pending at the beginning of the quarter	Nil						
	Received during the quarter	13						
	Disposed of during the quarter	13						
	Remaining unresolved at the end of the quarter	Nil						

Notes :

1 The Company had signed the Business Transfer Agreement on 31st March, 2011 with Schneider Electric India Private Limited ("Schneider") for sale of its Structured cabling business comprising of manufacture, sale and marketing of structured cabling products carried under the brand name "DIGILINK", hereinafter referred to as ("Digilink Business"), on slump sale basis as a going concern for a consideration of Rs. 503 crores to be adjusted for any net working capital adjustments. The same was approved by the Board of Directors at its meeting held on 31st March, 2011 and by the shareholders vide resolution passed through postal ballot on 11th May, 2011. The consideration was received on 13th May, 2011, the Closing date. The balance consideration on account of net working capital adjustments was received during the quarter ending 30th September, 2011. The profit on account of the above transaction is disclosed as an exceptional item.

2 Details of revenue and expenses and assets and liabilities of continued and discontinued operations for standalone financial results are as below :

(Rs. In lakhs)

Particulars	2012		
	Continuing Operation	Discontinuing Operation	Total
Revenue from operations (net)	6,939.15	1,148.05	8,087.20
Other Income	3,097.99	34.13	3,132.12
Increase/(Decrease) in stocks of finished goods, work-in-progress and traded goods	1,746.32	-	1,746.32
Total Income	11,783.46	1,182.18	12,965.64
Total Expenditure	12,197.06	1,104.92	13,301.98
Profit / (Loss) before tax and before exceptional items	(413.60)	77.26	(336.34)
Exceptional items	47,095.09	-	47,095.09
Profit / (Loss) before tax	46,681.49	77.26	46,758.75
Provision for taxation	10,101.08	12.91	10,113.99
Profit / (Loss) after tax	36,580.41	64.35	36,644.76
Assets	44,903.80	-	44,903.80
Liabilities	2,454.20	-	2,454.20

(Rs. In lakhs)

2011		
Continuing Operation	Discontinuing Operation	Total
3,513.97	15,737.10	19,251.07
549.18	223.94	773.12
345.02	81.52	426.54
4,408.17	16,042.56	20,450.73
5,499.57	12,824.63	18,324.20
(1,091.40)	3,217.93	2,126.53
-	-	-
(1,091.40)	3,217.93	2,126.53
(597.51)	1,067.92	470.41
(493.89)	2,150.01	1,656.12
15,497.90	5,168.16	20,666.06
2,015.15	1,679.21	3,694.36

3 Details of revenue and expenses and assets and liabilities of continued and discontinued operations for consolidated financial results are as below :

(Rs. In lakhs)

Particulars	2012		
	Continuing Operation	Discontinuing Operation	Total
Revenue from operations (net)	6,955.72	1,386.93	8,342.65
Other Income	3,098.93	31.66	3,130.59
Increase/(Decrease) in stocks of finished goods, work-in-progress and traded goods	1,746.32	-	1,746.32
Total Income	11,800.97	1,418.59	13,219.56
Total Expenditure	12,220.46	1,328.96	13,549.42
Profit / (Loss) before tax and before exceptional items	(419.49)	89.63	(329.86)
Exceptional items	47,095.09	-	47,095.09
Profit / (Loss) before tax	46,675.60	89.63	46,765.23
Provision for taxation	10,101.08	12.91	10,113.99
Profit / (Loss) after tax	36,574.52	76.72	36,651.24
Assets	44,865.61	-	44,865.61
Liabilities	2,455.45	-	2,455.45

(Rs. In lakhs)

2011		
Continuing Operation	Discontinuing Operation	Total
3,513.97	15,833.21	19,347.18
549.18	220.68	769.86
345.02	207.03	552.05
4,408.17	16,260.92	20,669.09
5,499.59	13,108.35	18,607.94
(1,091.42)	3,152.57	2,061.15
-	-	-
(1,091.42)	3,152.57	2,061.15
(597.51)	1,067.92	470.41
(493.91)	2,084.65	1,590.74
15,422.86	5,293.66	20,716.52
2,130.56	1,679.21	3,809.77

4 The Board of Directors has recommended a final dividend of Rs.2/- per Equity Share, which together with Interim Dividend of Rs. 30/- per Equity Share declared and paid earlier, works out to a dividend of Rs. 32/- per Equity Share for the year 2011-12.

5 The Company operates in a single business segment namely "Networking Products".

6 Figures of the last quarter are the balancing figures between audited figures in respect of the financial year and unaudited published year to date figures upto third quarter of the respective financial year.

7 Figures of the previous period/quarter/year are re-grouped/re-arranged, wherever necessary

8 The above unaudited / Audited results have been reviewed by the Audit Committee and approved by the Board of Directors at its Meeting held on 8th May, 2012.

For and on behalf of the Board



K.K. Naik

Executive Chairman

Mumbai
8th May, 2012

Statement of Assets and Liabilities

(Rs. In lakhs)

Particulars	As at 31.03.2012 (Audited)	As at 31.03.2011 (Audited)	As at 31.03.2012 (Audited) (Consolidated)	As at 31.03.2011 (Audited) (Consolidated)
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share Capital	600.10	600.10	600.10	600.10
(b) Employee stock options outstanding	137.16	137.16	137.16	137.16
(c) Reserves and Surplus	41,712.34	16,234.44	41,672.90	16,169.49
Sub-total - Shareholders' funds	42,449.60	16,971.70	42,410.16	16,906.75
2 Minority interest	-	-	-	-
3 Non-current liabilities				
(a) Deferred tax liabilities (net)	-	99.56	-	99.56
(b) Other long-term liabilities	28.36	24.87	28.36	24.87
(c) Long-term provisions	78.11	96.81	78.11	96.81
Sub-total - Non-current liabilities	106.47	221.24	106.47	221.24
4 Current liabilities				
(a) Trade payables	1,209.59	2,290.53	1,210.84	2,404.92
(b) Other current liabilities	396.47	406.04	396.47	406.04
(c) Short-term provisions	741.67	776.55	741.67	777.57
Sub-total - Current liabilities	2,347.73	3,473.12	2,348.98	3,588.53
TOTAL - EQUITY AND LIABILITIES	44,903.80	20,666.06	44,865.61	20,716.52
B ASSETS				
1 Non-current assets				
(a) Fixed assets	3,116.94	3,771.47	3,117.07	3,771.67
(b) Non-current investments	182.09	182.09	-	-
(c) Long-term loans and advances	505.48	379.70	505.96	380.12
Sub-total - Non-current assets	3,804.51	4,333.26	3,623.03	4,151.79
2 Current assets				
(a) Current investments	15,862.11	8,815.36	15,862.11	8,815.36
(b) Inventories	3,295.91	2,226.20	3,295.91	2,351.70
(c) Trade receivables	1,564.73	3,536.75	1,564.73	3,611.05
(d) Cash and cash equivalents	19,775.75	1,304.22	19,915.42	1,333.17
(e) Short-term loans and advances	600.79	450.27	604.41	453.45
Sub-total - Current assets	41,099.29	16,332.80	41,242.58	16,564.73
TOTAL - ASSETS	44,903.80	20,666.06	44,865.61	20,716.52

For and on behalf of the Board



K.R. Naik
Executive Chairman

Mumbai
8th May, 2012