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Smart Solutions for a Smarter Planet

CORPORATE OFFICE : 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
CIN: L30007GA1993PLC001341

February 29, 2016

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

To,
The Listing Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai – 400 001

Ref: Script Name: SMARTLINK

Script Code: 532419

Dear Sir/ Madam

Sub: Certified True Copy of the Board Resolution as required under regulation 5 of Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998 with respect to Buyback of 7,454,850 equity shares of Rs. 2/- each of Smartlink Network Systems Limited at a price of Rs. 110/- per equity share ("Buyback")

Pursuant to regulation 5 of Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, please find enclosed herewith certified true copy of the resolution with respect to the above captioned Buyback as passed by the Board of Directors of the Company at its meeting held on 29th February, 2016.

The Buyback would be subject to approval of the shareholders by way of a Special Resolution through Postal Ballot and all other applicable statutory approvals.

You are requested to take note of the same.

Thanking You.

Yours sincerely,

For **SMARTLINK NETWORK SYSTEMS LIMITED**

URJITA DAMLE
COMPANY SECRETARY

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CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF SMARTLINK NETWORK SYSTEMS LIMITED HELD ON MONDAY, FEBRUARY 29, 2016 HELD AT THE CORPORATE OFFICE OF THE COMPANY AT PLOT NO. 5, BANDRA KURLA COMPLEX, OFF CST ROAD, SANTACRUZ (E), MUMBAI - 400098; COMMENCED AT 08:30 A.M.

Buyback of Equity Shares

RESOLVED THAT in accordance with Article 62 of the Articles of Association of the Company, Sections 68, 69, 179 and other applicable provisions, if any, of the Companies Act, 2013 ("**Act**"), the Companies (Share Capital and Debentures) Rules, 2014, and the provisions of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 ("**Buy-back Regulations**") (including any statutory modification(s) or re-enactment of these provisions, for the time being in force) and such other approvals, permissions and sanctions as may be necessary and further subject to the shareholder approval, the consent of the Board of Directors of the Company be and is hereby accorded to the buy-back by the Company of its own fully paid equity shares of Rs.2/- each ("**Equity Share**") not exceeding, 74,54,850 Equity Shares, through the "**Tender Offer**" route prescribed under the Buy-back Regulations and the Act, at a price of Rs. 110/- (Rupees Hundred and Ten only) per Equity Share (hereinafter referred to as the "**Buyback Offer Price**"), payable in cash for an aggregate amount of Rs. 82,00,33,500/- (Rupees Eighty Two Crores Thirty Three Thousand Five Hundred only), [excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty, etc.] (being less than 25% of the total paid-up equity capital and free reserves of the Company as per latest audited balance sheet as on March 31, 2015), (hereinafter referred to as the "**Buyback Offer Size**") from the shareholders of the Company on a proportionate basis (hereinafter referred to as the "**Buyback**");

RESOLVED FURTHER THAT the Company shall implement the Buyback from out of its securities premium account and other free reserves.

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

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

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RESOLVED FURTHER THAT the Buy-back, to the extent permissible under law and subject to all applicable legal provisions, be implemented using the stock exchange mechanism notified by SEBI vide circular CIR/ CFD/POLICYCELL/1/2015 dated April 13, 2015.

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

RESOLVED FURTHER THAT the Company shall earmark adequate sources of funds for the purpose of the Buyback.

RESOLVED FURTHER THAT as required under the provision to Section 68(6) of the Act and Regulation 8(7) of the Buyback Regulations, the Declaration of Solvency along with annexures thereof be and is hereby approved for filing with the Registrar of Companies, Goa and Securities and Exchange Board of India after having it verified by an affidavit and signed by any two of the following Directors namely Mr. K. R. Naik, Ms. Arati Naik, Mr. K. M. Gaonkar and Mr. Pankaj Baliga, who are hereby authorized to sign the same.

RESOLVED FURTHER THAT a Buyback Committee comprising of Mr. K. M. Gaonkar, Director, Mr. Pankaj Baliga, Director, Mr. K. G. Prabhu, Chief Financial Officer and Ms. Urjita Damle, Company Secretary of the Company be and is hereby constituted and the powers of the Board in respect of Buyback be delegated to the Committee ("**Buyback Committee**") and each member of the Buyback Committee is hereby severally authorized to do all such acts, deeds and things as may be necessary, expedient or proper with regard to the implementation of the buy back, including, but not limited to, the following:

1. Finalizing the terms of the Buyback like the record date, entitlement ratio, the timeframe for completion of the Buyback
2. the appointment and finalization of the bankers, solicitors, escrow agents, brokers, registrars, lawyers, depository participants, advertising agencies and other advisors/ consultants/intermediaries/ agencies, as may be required, for the implementation of the Buyback;
3. The initiating of all necessary actions for preparation of postal ballot notice along with explanatory statement and seek shareholder approval for the Buy-back
4. The initiating of all necessary actions for preparation and issue of Public Announcement, Letter of Offer and related documents
5. The filing of Public Announcement, the Draft Letter of Offer/ Letter of Offer and related documents with the Securities and Exchange Board of India, the stock exchanges and other appropriate authorities and also the certificate for Declaration of Solvency

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6. Making all applications to the appropriate authorities for their requisite approvals including approvals as may be required from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 and the rules, regulations framed thereunder
7. Dealing with stock exchanges (including their clearing corporations), where the equity shares of the Company are listed, and to sign, execute, and deliver such documents as may be necessary or desirable in connection with implementing the Buyback using the "Mechanism for acquisition of shares through Stock Exchange" notified by SEBI vide circular CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015.
8. Obtaining all necessary certificates and reports from statutory auditors and other third parties as required under applicable law;
9. Earmarking and making arrangements for adequate sources of funds for the purpose of the Buyback
10. entering into escrow arrangements as required in terms of the Buy-Back Regulations;
11. opening, operation and closure of all necessary accounts including bank accounts, depository accounts (including escrow account) for the purpose of payment and authorizing the persons to operate the said accounts;
12. To settle all such questions, difficulties or doubts that may arise in relation to the implementation of the Buy-back
13. To sign the documents as may be necessary with regard to the Buyback and use the Common Seal of the Company on relevant documents required to be executed for the Buyback of shares
14. Extinguishment of share certificates and Certificates of extinguishment required to be filed in connection with the Buyback on behalf of the Board
15. To do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary, expedient, usual or proper

RESOLVED FURTHER THAT the Buy-back Committee shall have the power and authority to delegate all or any of the authorities conferred upon it to any director/ officer(s) and/or representatives of the Company, in order to give effect to the aforesaid resolutions and to revoke and substitute such delegation / sub-delegation of authority from time to time.

RESOLVED FURTHER THAT the quorum for a meeting of the Buy-back Committee shall be presence of any two members and Buy-back Committee may regulate its own proceedings and meet as often as required, to discharge its functions.

RESOLVED FURTHER THAT Ms. Urjita Damle, Company Secretary of the Company shall act as a Secretary to the Buy-back Committee.

RESOLVED FURTHER THAT the Buy-back Committee do report from time to time to the Board at the meeting of the Board, status/progress of actions taken by the Buy-back Committee

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concerning buyback and the minutes of meeting(s) of the Buy-back Committee held in the intervening period of two successive meetings of the Board shall be put up at the subsequent meeting of the Board.

RESOLVED FURTHER THAT in compliance with Securities and Exchange Board of India (Buyback of Securities) Regulations 1998, Kotak Mahindra Capital Company Limited be appointed as Merchant Banker for the proposed buyback transaction.

RESOLVED FURTHER THAT the Company must open an Escrow Account with Kotak Mahindra Bank, a scheduled commercial bank for a sum of Rs. 20,50,08,375/- (Rupees Twenty Crores Fifty Lakhs Eight Thousand Three Hundred and Seventy Five only) being 25% of the Buyback Offer Size placed in the said Escrow Account by way of a deposit before the release of the Public Announcement in compliance with the requirements of the Buyback Regulations.

RESOLVED FURTHER THAT the Board confirms that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion –

1. That immediately following the date of Board Meeting held 29th February, 2016, there will be no grounds on which the Company could be found unable to pay its debts.
2. That as regards the Company's prospects for the year immediately following that date and of the board meeting as well as the year immediately following the date on which the results of the Postal Ballot will be declared, approving the buyback and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from that date
3. In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Act (including prospective and contingent liabilities)

RESOLVED FURTHER THAT the Board hereby confirms:

a) That all the equity shares for Buyback are fully paid-up;
b) That the Company has noted that the Company shall not issue and allot any Equity Shares including by way of bonus or convert any outstanding ESOPs/outstanding instruments into Equity Shares, till the date of closure of this Buyback;
c) That the Company, as per provisions of Section 68(8) of the Companies Act, shall not make further issue of the same kind of shares or other specified securities within a period of six months after the completion of the Buyback except by way of bonus shares or equity shares issued to discharge subsisting obligations such as conversion of warrants, stock option schemes, sweat equity or conversion of preference shares or debentures into equity shares;

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d) That the Company shall not buyback its shares from any person through negotiated deal whether on or off the Stock Exchanges or through spot transactions or through any private arrangement in the implementation of the Buyback;
e) That there are no defaults subsisting in the repayment of Deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.
f) That funds borrowed from Banks and Financial Institutions will not be used for the Buyback;
g) That the aggregate amount of the Buyback i.e. Rs. 82,00,33,500/- (Rupees Eighty Two Crores Thirty Three Thousand Five Hundred only) does not exceed 25% of the total paid-up equity capital and free reserves of the Company as on March 31, 2015;
h) That the maximum number of shares proposed to be purchased under the Buyback i.e. 74,54,850 Equity Shares, does not exceed 25% of the total number of shares in the paid-up equity capital as per the audited balance sheet as on March 31, 2015;
i) That the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid-up equity share capital and free reserves after the Buyback.

RESOLVED FURTHER THAT as required by sub-section 6 of section 68 of the Act, a Declaration of Solvency duly signed and verified by any two of Mr. K. R. Naik, Ms. Arati Naik, Mr. K. M. Gaonkar, or Mr. Pankaj Baliga be filed with the Registrar of Companies and with the Securities and Exchange Board of India, subject to compliance with the provision of the said section.

RESOLVED FURTHER THAT Mr. K. R. Naik, Executive Chairman and Ms. Arati Naik , Whole Time Director be and are hereby authorized to make changes in the Declaration of Solvency as may be necessary, to sign and to file the same with the Registrar of Companies and with the Securities and Exchange Board of India.

For **SMARTLINK NETWORK SYSTEMS LIMITED**

URJITA DAMLE
COMPANY SECRETARY
Place: Mumbai
Date: 29th February, 2016