

REF: DLK/L&S/2017-18/9-16

Date: September 18, 2017

To,

BSE Limited

25th Floor, P.J. Towers,
Dalal Street,
Mumbai-400 001
Scrip Code: 533146

To,

**National Stock Exchange of
India Limited**

Exchange Plaza, Bandra Kurla
Complex, Bandra (East),
Mumbai- 400 051.
Symbol: DLINKINDIA

Sub: Submission of Annual Report for the Financial Year 2016-17

Dear Sir/Madam,

Pursuant to regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2016-17.

Kindly take into record and disseminate the information.

Thanking You,

Yours faithfully,

For **D-LINK (INDIA) LIMITED**

SHRINIVAS ADIKESAR
COMPANY SECRETARY

INNOVATION · HERITAGE · EXECUTION





Business Solutions



Consumer Solutions

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Disclaimer / Forward Looking Statement

In this Annual Report we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral that we periodically make, contain forward looking statements that set out anticipated results based on the managements plans and assumptions. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks in uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

Message from Managing Director



D-Link

“Providing cost-effective cutting-edge solutions to our clients with performance benchmarks that are at par or in many cases even better than our competition, is what attracts D-Link products to its users.”

Gary Yang, Managing Director

Dear Stakeholders,

While 2016 saw a slower global economic growth than expected, 2017 seems like a year of hope with World Bank forecasts pointing towards stronger growth. Advanced economies as well as emerging markets and developing economies are expected to see considerable growth driven by pickup in manufacturing and trade, rising confidence, favourable global financing conditions, and stabilizing commodity prices.

India has emerged as the fastest growing major developing economy in the world and has also surpassed China on the

list of countries with ease of doing business. Indian economy is expected to grow at a rate of anywhere between 6.75% and 7.5% in FY 2017-18. Strong government reforms and Reserve Bank of India's (RBI) inflation focus supported by favourable global commodity prices are factors that are pushing the country towards accelerated economic growth.

The Government of India is making huge investments in infrastructure and manufacturing under the 'Digital India', 'Make in India' initiatives and 'Smart City' projects. These along with the large number of projects in public and private

domain, have opened up immense opportunities for our networking and surveillance solutions.

In FY 2016-17 there was a slight dip in our performance. D-Link India's standalone revenues from operations for the year was Rs. 6,966.42 million. Profit before Depreciation and Tax amounted to Rs. 254.68 million while net profit stood at Rs. 158.55 million.

Globally, we have partnered with Microsoft to provide 'Super Wi-Fi' to rural areas. Engaging technology that reaches a wider audience, this initiative aims to be the developmental platform for many under-developed regions across the world. At the same time, we also partnered with Google to provide automated home assistance to connected household through Google's voice assistant. Such collaborations have widened our area of service encompassing every segment from rural areas to urban connected homes.

As the Indian economy grows, data penetration is on the increase, especially in the recent years with many new initiatives and reforms being introduced in the private and public sector. We see numerous opportunities and firmly believe that the future years will add new dimensions to our business.

In line with the Government's vision of Digital India, we have announced a detailed plan as a guideline to developing Smart Cities by smart network that ensure economic, social and environmental sustainability. Our efforts in working with the Government will help improve that quality of life of residents and provide a smart, energy efficient and reliable way of living.

Encouraging people to live greener and smarter, we aim to be the forerunner in providing wireless infrastructure, city surveillance and fiber connectivity to enhance city management and public safety. Our goal is to provide seamless internet experience without interruption.

To excel and emerge as the market leaders in the sectors that we serve in, we believe in our passion to innovate. This gives us an edge over the competition as we provide cost effective solutions and lead the transitions that take place in the market, driving growth for our clients in the digital space.

Looking ahead, we aim to capitalize on the lifestyle networking device segment which has seen a huge surge in demand.

As more and more users become aware of IoT devices and their applications in home automation, along with increased connectivity being made available in Tier-2 and Tier-3 cities, we aim to expand at a faster pace riding on our range of mydlink cloud enabled products. Adhering to this, our 'connected-home' partnership between D-Link's subsidiary TeamF1 and India's Reliance Jio will explore solutions for home surveillance through IP cameras and video analytics and for smart homes through IoT sensors and actuators, data analytics and machine learning technologies.

Providing value added cost-effective cutting-edge solutions to our clients with performance benchmarks that are at par or in many cases even better than our competition, is what endears our products to its users. We set ourselves in a league different from others as we rely heavily on our core ideas of innovation, integration and brand recognition. It is these values that help us stay relevant and evolve rapidly in a dynamic scenario where ideas and innovations change the game frequently.

It is our constant endeavour to come up with world-class products that deliver the best in quality, response time, competitive prices and customer service. Working with SME and SOHO, we are the most preferred name in the market when it comes to networking solutions, providing convenience, reliability and savings. We invest a lot into R&D which is one of our key strengths.

Taking forward our passion to innovate, we have positioned D-Link as the provider of elegant solution to users with sophisticated needs. We nurture a customer focused culture, challenging everyday norms to develop an eco-system where consumers can easily access, control, view and share their lives.

The way ahead is challenging, but I have immense confidence that we have everything in us to transform these challenges into opportunities and deliver innovative solutions. I would like to thank all our shareholders, partners and associates for believing in us and showing us their continued support. The past 31 years has seen us grow at a steady pace and the future, I believe, will be full of opportunities.

Sincerely,

Gary Yang
Managing Director

Message from Executive Director & CEO



D-Link
Building Networks for People



“ We are not only able to meet the current needs of our consumers, but are also able to anticipate the needs of the future and devise solutions accordingly. ”

Tushar Sighat
Executive Director & CEO

Dear Stakeholders,

In 2016, D-Link celebrated 30 years of building networks for people, and now we have aligned ourselves to provide better solutions to complex issues with our cost-effective high-efficiency product range.

Meeting every demand as we progress, we have stayed ahead of emerging trends and through developing innovative products, now have a loyal user base across the globe that encompasses everyone from household consumers to large businesses.

It was a challenging year and the second half of the year saw a shake up of the economy on account of demonetisation. Further, there were disruptive changes in internet access technologies that came along with the rollout of services by telco players, causing significant adverse impact to our business. Our revenue for FY 2016-17 declined marginally. However, the rupee was stable for the greatest part of the year and that has lent a fair degree of stability to our business.

Our teams of dedicated professionals, who have adhered to D-Link's core values of innovation, integration and brand recognition, have contributed their skills in navigating us through the ups and downs.

India has seen tremendous rise in connected devices due to increased awareness among people about the need and means to network connectivity. The Indian Government's many initiatives to achieve this have to be applauded. As more and more educated entrepreneurs set up their businesses, it is our target audience base that expands, where D-Link is the market leader in providing connectivity solutions.

We are determined to grow over the next few years with many new avenues being laid down for the networking segment. Digital India, Make in India, Smart City, cashless transactions, eCommerce boom, IoT, automated homes; all of these have given us opportunities to widen our networking and surveillance solutions. We are aligning ourselves to the needs of all these segments as we implement and support unified network solutions that integrate capabilities in switching, wireless, broadband, storage, IP Surveillance, cloud-based network management, and structured cabling.

As technology progresses, IoT is bound to be the next big thing and we have positioned D-Link to be a leader in this segment. In line with new trends, we have also launched our latest range of 4G devices that support the latest 4G mobile communication standard, thereby allowing users to enjoy wireless internet access at a much higher speed. Since these are unlocked devices they work with all service providers giving users the freedom of choice.

With our expertise in the home consumer, SOHO and SME segments, we have also established our foothold in the large enterprise market, providing comprehensive and robust networking solutions. Recently, we also announced the partnership between D-Link Corp and Team F1 to develop mydlink business solutions that deliver cloud-based device management platform for Wireless Access Points for small and medium-sized businesses. This cloud based platform has now made it possible to manage chain stores or satellite offices across large geographic regions thus expanding businesses and networks.

We have concentrated efforts in maintaining our customer support system through D-Link Service Centers (DSC), D-Link Service Partners (DSP) and Partner Courier Pickup (PCP). Further D-Link offers 'Service at your door-step' for Broadband, Wireless and Lifestyle products with D-Link Direct Service (DDS). Our latest DDS centre was recently inaugurated at Dhaka, Bangladesh. To give our enterprise customers a boost, D-Link launched the AR-NBD (Advance Replacement - Next Business Day) support which we are aggressively promoting as it provides a significant USP to our enterprise offering. All these have helped us in retaining our loyal customer base.

While competition has definitely increased over the years with the market being extremely demanding, it has also helped us shape our customer-centric thinking. We are not only able to meet their current needs but are also able to anticipate the needs of the future and devise solutions accordingly. This approach has placed us a notch above our competitors and helped us do more for our consumers.

While the past 30 years saw us providing network solutions, the road ahead will witness us working in the field of IoT to provide high performance automated solutions for connected homes. D-Link will eventually be a leader in the Connected Home range and in the field of networking kits.

I would like to take this opportunity to thank every member of the D-Link family for their efforts. I also extend my gratitude to the banks, government authorities, business associates and the community around us for their support and cooperation.

Thank you.

Tushar Sighat
Executive Director & CEO

Over Three Decades of Building Networks



D-Link (India) Limited is part of D-Link Corporation and one of the leading networking companies in India.

D-Link Corporation is a global leader in designing, manufacturing and marketing of advanced networking, broadband, digital, voice and data communications solutions. D-Link caters to the global networking and connectivity needs of digital home consumers, small office professionals, small- to medium-sized businesses and enterprise environments.

D-Link Holding Mauritius Inc., a 100% subsidiary of D-Link Corporation holds 51.02% shares in D-Link (India) Limited. The equities of D-Link India Limited are listed on NSE and BSE.

D-Link (India) Limited is engaged in the marketing and distribution of networking products in India and the South Asian Association for Regional Cooperation (SAARC) region. It offers a robust range of products that extend across various areas of network infrastructure, including switching, security, wireless, Internet protocol (IP) surveillance, storage and structured cabling.

Delivering high quality and reliable networking products, D-Link offers a range of wireless routers, cameras and wireless adapters, smart plugs, audio extenders, wireless sensors and

home monitors. D-Link's wireless solutions include access points, management platforms, mobile wireless and accessories.

D-Link India's nationwide reach, superior services and extensive product portfolio supplies businesses with powerful building blocks that add value to every level of infrastructure, making it one of the key market players in the country.

Innovation, integration and reliability are the three core values that D-Link has built its reputation on. This reputation has gained the company a loyal customer base that includes everyone from households to large businesses.

Combining unmatched networking experience through outstanding value, ease of connectivity and continued support & assistance with a human touch, D-Link has upheld its commitment to providing its customers with solutions that are cost-effective yet at par with the best in the world.

Strategies to Drive Growth



Channel partnerships along with a strong focus on high growth sectors and customer connect have positioned D-Link as a market leader.

India has seen strong growth in the field of computer networking over the past few years with overall digitization being implemented. The Indian government has introduced the 'Digital India' initiative and the 'Smart City' projects that have opened many opportunities for the networking industry. With more and more cellular network providers bringing in high speed connectivity at competitive rates, the number of digital users has seen a boost further increasing the demand for networking products and accessories.

With the increasing number of connected handheld devices being adopted by users, the demand for wireless products and accessories has seen a steady increase. Channel partnerships are of primary focus to D-Link as they form an integral part of the business eco-system. Channels/resellers provide the firm with opportunities to promote products and services.

D-Link has amplified engagement with System Integrators by introducing exclusive D-Link partner portal - partners.dlink.co.in - a one stop business tool that ensures continuous engagement and makes business easier for SIs.

Various government sectors have also contributed to D-Link's business with us being awarded many networking contracts for infrastructure development. The education sector also contributed majorly to our product sales as more and more campuses and colleges have adopted wireless connectivity and surveillance systems. Telecom companies are another segment where sales have improved through partnerships for the sale of ADSL routers.

Using various digital and other traditional media channels to engage our potential and existing user base, D-Link educates and encourages its users to stay connected in a world driven by connectivity. With expanded campaigns across various platforms, D-Link connects, engages, promotes and collects valuable feedback from our users to enable them to best use the company's products.

With the ever accelerating pace that technology evolves, we aim to stay ahead of times through continued innovation that will reflect in our growth momentum, emphasizing the role that network solutions play in homes and businesses today.

Consumer Solutions



D-Link's range of home automation devices make the home brighter, safer and always accessible from any corner of the planet.

As the boundary between our physical and digital worlds continues to dissolve and be reinvented, from the peace-of-mind element of checking baby and grandma are doing OK at home while you are still at work, to escaping into the world of Virtual Reality, people's 'freedom' and their richness of life will depend on the technologies that enable them to cross and merge these physical and digital lives.

As such, key to setting people 'free' are the range of next-generation sensors, digitizing technologies and, of course, the high-performance wireless networks that power them. The principle of the Internet of Things is founded on increased machine-to-machine interactions where humans no longer need to

intervene in simple transactions, for example to switch on the lights when they get home or to snap a camera and email the image if motion is detected in the house while you are away.

This is the Smart Home, where smart sensors connected to the Internet can interact independently with household gadgets to create simpler, more convenient lifestyles for families. D-Link has stayed ahead of the curve in relation to these technologies. Over many years, it has created a broad, robust, and well-respected Connected Home range, which includes IP cameras, smart plugs, smart sensors, and sirens.

Key areas of D-Link's focus have been increasing bandwidth capacity, developing easy-to-use cloud-enabled interfaces for end-users with little technical know-how, and improving our cloud connectivity itself. Powered by the user-friendly mydlink interface, our Cloud Camera, Cloud Router, and Connected Home devices have already won over global consumers.

As homes and workplaces become crammed with more and more devices connecting to the



Internet, like multiple laptops streaming HD video on Netflix, routers are becoming the make or break component for many households. Super-fast routers, extenders and powerline adaptors that can guarantee smooth, future-proof operation for consumers in the years to come are in high demand. This is the whole-home Wi-Fi coverage solution that D-Link offers to users, aiming for a reliable, high-performance, seamless Internet environment.

D-Link's range of home automation devices includes smart plugs, audio extenders, wireless sensors, home monitors, wireless sirens and more. A combined eco system of these products connected to the user through our mydlink Home App makes the home brighter, safer and always accessible from any corner of the planet.

D-Link also provides cloud enabled services to keep your automated home always protected and accessible. With mydlink Cloud services D-Link provides its users with personal cloud space you can enjoy anywhere, anytime access to your home network – and all of your music, photos and videos – without having to upload everything to a public server first. D-Link's Cloud

routers, Cloud cameras and Cloud storage devices can all be reached instantly using a computer, smartphone or tablet, putting you in control of your home network no matter where you happen to be.

D-Link's advanced AC wireless routers that provide top speed data connection combined with QoS (Quality of Service) traffic controls make sure that your home automation system is always performing at its best. Our AC wireless routers supports dual band wireless, operating at both 2.4GHz and 5GHz wireless bands. Merging newer technologies like Beamforming into our routers, we are able to provide stronger and faster connectivity to devices that require more bandwidth.

Moving forward, D-Link aims to expand its key areas of focus by adding more and more devices and home automation solutions to its array. With continued passion to innovate, our R&D department has seen huge success in the previous years and we expect to take our commitment to innovation further ahead. There's much more to come out of our stables and we hope for your continued support in achieving our goals.



Business Solutions



D-Link network solutions are scalable, easy to deploy and manage while delivering reliable and secure connectivity.

D-Link offers complete end to end networking solutions for small and medium businesses acting as a one stop destination for switches, wireless solutions, surveillance needs, network storage requirements, network security, structured cabling and more.

Wireless Solutions

D-Link enjoys leadership in the WLAN category with 49% market share. Our collection of robust wireless Access Points (APs) operating in both the 2.4GHz and 5GHz frequency bands, support the latest wireless standards including 802.11ac and 802.11n. These access points can be managed independently as standalone devices, or collectively by using Central Wi-Fi Manager, a free centralised controller software that can be installed on a Windows server or PC.

Switches Solutions

D-Link Business switches fall into the categories of unmanaged switches, smart managed switches and fully managed switches. Unmanaged switches need no configuration, are cost effective and ideal for smaller networking needs while smart managed switches use intuitive web-based

management and are essential networking and security features for businesses of all sizes. Fully managed switches are secure and reliable and support complete Layer 2 and Layer 3 switching functionality. D-Link's comprehensive portfolio of switches includes 10Gigabit, Gigabit, Fast Ethernet and PoE, ranging from entry level to fully managed.

Power over Ethernet



DGS-1100 MPP, High Power PoE Switch for IP Surveillance

D-Link Power over Ethernet (PoE) Adapter provides both data and power to Ethernet enabled devices using a single Ethernet cable, eliminating the need to place those devices near outlets. These adapters transmit Power up to 328 Feet (100m), come with Adjustable Output Power and feature Plug & Play installation making it easy to set up. The PoE adapter kit simplifies installation of Ethernet-enabled devices, such as an Internet camera or wireless access points, by allowing it to be placed beyond the range of standard power outlets. Devices can now be mounted to a ceiling

or outside without placing them near a power supply.

Surveillance/CCTV Solutions

D-Link offers a comprehensive range of CCTV solutions with Analog HD Camera, Digital Video Recorder (DVR), CCTV Cable Box and DVR Enclosure range.

D-Link CCTV solutions are suited for both indoor & outdoor applications, with cameras starting from a resolution of 1MP and going up to 4MP. D-Link has a wide range of Cube, Dome and PTZ cameras that come with fixed and varifocal lenses to choose from. D-Link cameras offer amazing clarity, sturdy looks, superlative quality, and most importantly are backed by D-Link's excellent support infrastructure. Whether it is a small office or a large enterprise, D-Link CCTV range offers tailor-made solutions that feature the latest technology trends like H.264 and H.265.

D-Link Surveillance portfolio also includes a wide range of thermal cameras that can detect people, objects and incidents in pitch dark as well as in sunlit and other challenging conditions. The CCTV solutions come with free DCMS Software capable of viewing up to 64 channels.

Structured Cabling

Our wide range of copper and fiber cabling solutions incorporate premium quality, excellent brand recall and has earned the trust of partners and customers alike. D-Link's high end copper and fiber structured cabling solutions can be positioned in sophisticated applications like Data Centers, educational institutes, healthcare organisations and enterprise customers.

Fiber To The Home (FTTH)

D-Link FTTH technology has unlimited bandwidth capacity to deliver triple play services (Data, Voice & Video). They are very low on maintenance cost

when compared with other networks and flexible in bandwidth allocation compared to Passive Optical Networking (PON) and Point to Point (P2P) network. FTTH is ideally deployed in the hospitality segment or in large residential complexes. D-Link range of FTTH products include Optical fiber drop cable, optical splitter, fiber optic outlet, optic distribution box and drop cable pigtail.

Special Key Initiatives

Moving forward to providing network solutions for the future, D-Link is still vastly expanding its range of products and services to cater to the ever growing needs of businesses that emerge and evolve across the globe. We take great pride in serving business that fuel the future and designate us as the end-to-end solution provider.

We are largely poised to support and work together with the government of India in initiatives such as Digital India and Smart Cities. This will encourage us to further develop our user base in various government sections like defense, railways, and transportation, public sector and citizen services.

The D-Link Green™ technology was introduced to show our support towards green initiatives and it gives us much pride to say that it has continuously exceeded current guidelines for environment-friendly manufacturing and disposal.

D-Link continues to extend its support towards government's e-waste management programme and to comply with the principles of Extended Producer Responsibility (EPR), it has set up 109 e-waste collection centres across the country.

D-Link's promise of world class quality, fastest response time in the market and the best customer service combined with the most competitive costs have helped us to attain success and growth objectives.

Product Distribution and Service Infrastructure



We are continuously striving to extend and enhance our customer support.

Customer satisfaction is always of utmost importance at D-Link. With this intent, we have made significant investments to set up and maintain a strong distribution and service network. This has made D-Link products available at every location throughout the country, urban or rural.

D-Link's network now encompasses 17 branches, 4 national distributors, 80+ business distributors, 500+ dealers and 2000+ resellers, making it possible for us to reach every nook and corner of the country.

To maintain and uphold the unique bond we share with our channel partners, D-Link holds annual conferences and events, apart from the training interventions that are conducted regularly to increase efficiency and deliver our promise of providing the best when it comes to product quality, sales, service and support. We are constantly trying to expand and improve our relationship with channel partners so as to ensure that our products reach more customers.

To ensure that our customers are completely satisfied with our products and services, we have set up 11 D-Link Direct Service Centers,

49 Partner Service Centers and 156 courier collection points that has enabled us to cover 128 locations with 216 Service Points for customer support. We set up the D-Link Direct Service (DDS) to offer service to customers at their doorstep. D-Link products now receive direct support from the company's own service centers, thereby ensuring total peace of mind and the best quality service.



D-Link has announced Advance Replacement - Next Business Day (AR-NBD) support programme for its Enterprise customers, thus scaling up its existing support model for Enterprises. Under this scheme, Enterprise customers can now avail FREE AR-NBD support for one year.

D-Link's mission is to 'build networks for people' and in accomplishing this mission, we aim to provide unmatched experience through superior product design and exceptional service. While competitive pricing is a key attribute to gain more customers, providing high standard of support and service will strengthen our position as the people's most preferred networking solution partner.

Awards & Accolades



*Top Achiever, Company Award:
Best Networking Solution Company - 2016*

*Special Award:
Business Excellence Person of the year
- Mr. Tushar Sighat.*

*Editor's Choice Award:
Best Structured Cabling Brand*

Every award is a recognition of our commitment to quality, innovation and customer service.

Today D-Link is renowned worldwide as a leading manufacturer of networking solutions for homes and businesses. This great accomplishment was achieved through continuous innovations, product enhancements and implementations. Our commitment to quality, customer service and brand leadership has been recognized by the many national and



D-Link India receives award Editor's Choice Award BEST STRUCTURED CABLING COMPANY and for the Year 2016 and honoured by Mr. S.N. Tripathy, IAS, A.S. & Development Commissioner - MSME - Govt. of India, Mr. D. K. Sahu, Chief editor, VARINDIA, Mr. Vipin Tyagi, E.D., C DOT, Govt. of India and Mr. Savitur Prasad, Adtl CGDA, Ministry of Defence, Govt. of India.



D-Link India receives award for Best Networking Company for the Year 2016. Honoured by Mr. S.N. Tripathy, IAS, A.S. & Development Commissioner - MSME - Govt. of India, Mr. D.K. Sahu, Chief Editor, VARINDIA, Mr. Vipin Tyagi, E.D., C DOT, Govt. of India.

international awards and accolades we received. While these have encouraged us to try harder and achieve our goals, we believe that these are also a token that lets the people in the company and our customers know that we are on the path to continued success.

Some of the awards the company received during the year were:

- 🏆 DT Awards 2016 – Best Wireless Router Brand
- 🏆 DT Special Awards 2016 – India's Best Networking Brand
- 🏆 VAR India Awards 2016 – Best Networking Company for the year 2016
- 🏆 VAR India Awards 2016 – Editor's Choice for Best Structured Cabling Brand for the year 2016
- 🏆 NCN Awards Nite 2017 – Best Networking Solution Company 2016 award under Top Achiever Companies 2016 category

Board of Directors



Douglas Hsiao
Chairman

Douglas Hsiao possesses a Bachelor's degree in Telecommunication Engineering from National Chiao Tung University, Taiwan. Mr. Hsiao's achievements can be found in many disciplines including Executive Management, Global Sales, Finance, Quality Assurance and Engineering etc. Mr. Hsiao has more than 31 years of Industry experience and has held numerous senior positions in various Companies such as Alpha Networks Inc. and D-Link Corporation.

Gary Yang
Managing Director

Gary Yang is in-charge of India, Middle East and African countries for D-Link. Gary Yang has contributed 27 years to the IT field of which he has worked for 23 years with D-Link. He possesses a Bachelors degree in Management from Cheng Kung University, Taiwan.



Tushar Sighat
Executive Director & CEO

Tushar Sighat brings with him vast experience and domain expertise spanning over 26 years. In his current role, he is responsible for driving the company's growth, and play a strategic role in strengthening D-Link's position as a leader in networking solutions in India and SAARC region. Tushar Sighat has a B.E in Electronics & Telecommunication.



Mukesh Lulla
Director

Mukesh Lulla brings on the Board a unique blend of technical expertise and savvy entrepreneurial skills. Mr. Lulla is a veteran in global technology marketing, business development and holds a Master's degree in Electrical Engineering from the University of Southern California, and a Bachelor's degree in Electronics Engineering from N.I.T. Surat. Mr. Lulla has been awarded several patents related to programmable silicon and software algorithms in the field of embedded networking technology and security.



Board of Directors



Rajaram Ajgaonkar

Director

Rajaram Ajgaonkar is a practising Chartered Accountant with 38 years of post qualification experience. He is also qualified as LLB (Gen) from Government Law College in Mumbai.

Satish Godbole

Director

Satish Godbole is a practising Chartered Accountant with 36 years of experience. He has specialized in Company Law, Mergers & Amalgamation and FEMA.



Anil Bakshi

Director

Anil Bakshi is a Chartered Accountant and Company Secretary. He is an industrialist and has over 32 years of experience in overall business management.



Ms. Madhu Gadodia

Director

Madhu Gadodia, the partner of Naik Naik & Company, is a legal practitioner in the area of Technology Media and Telecommunications (TMT) space and has advised on a number of film productions and major television shows. She has structured investment and production deals for more than 200 films in India.

She is a honors in Science and holds a Bachelor's degree in Law. Madhu is an accomplished media commentator and is frequently invited to speak at conferences and seminars.

Madhu has successfully led her team in a series of high-stake litigations. She has represented clients litigations on copyright, trademark, film certification before Supreme Court, pan India High Courts, CCI and TDSAT.



Financial Performance

Revenue
(Rs. in million)



Profit Before Tax and Depreciation
(Rs. in million)



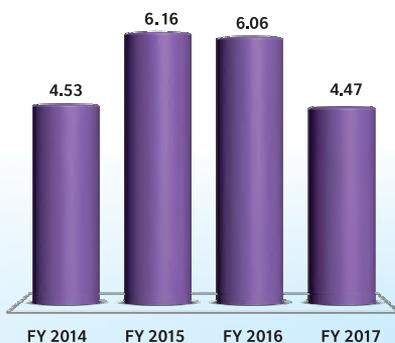
Profit Before Tax (PBT)
(Rs. in million)



Net Profit After Tax (PAT)
(Rs. in million)



Earnings Per Share (EPS)
(Rupees)



Net Worth
(Rs. in million)



Directors' Report

To,
The Members,

The Board of Directors of your Company take pleasure in presenting the Ninth Annual Report together with Balance Sheet and Statement of Profit and Loss for the financial year ended 31st March, 2017.

1. Financial Results (Standalone and Consolidated)

(Rupees in Million)

Particulars	Standalone		Consolidated	
	2016-17	2015-16	2016-17	2015-16
Revenue from Operations	6,966.42	7,007.44	7159.36	7,213.31
Profit Before Depreciation and Tax	254.68	346.59	284.90	391.77
Less: Depreciation for the year	11.70	14.68	15.29	16.81
Profit Before Tax (PBT)	242.98	331.91	269.61	374.96
Less: Provision for Tax				
a) Current Tax	89.31	135.72	95.51	148.48
b) Deferred Tax	(4.88)	(18.80)	(2.32)	(17.27)
Profit After Tax	158.55	214.99	176.42	243.75
Earnings per Share (Rs.)	4.47	6.06	4.97	6.87

2. State of Company's Affairs

During the financial year 2016-17, your company posted standalone gross revenue of Rs. 6,966.42 million as compared to Rs. 7,007.44 million in the previous year. The standalone profit before tax stood at Rs. 242.98 million as compared to Rs. 331.91million in the previous year.

During the year, demonetization of currency has resulted in uncertainty in the industry primarily with dealer fraternity and has impacted the revenue. The short-term impact is negative; expect things to return to normal over the course of the fiscal year.

The consolidated financial statements of your Company for the financial year 2016-17 are prepared in compliance with applicable provisions of the Companies Act, 2013, Accounting Standards and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as prescribed by the Securities and Exchange Board of India (SEBI). The audited consolidated financial statement is provided in the Annual Report.

The financial statements of subsidiary, TeamF1 Networks Private Limited (TeamF1) will be made available upon request by any member of the Company interested in receiving this information. The same will also be available at the Registered Office of the Company for inspection during office hours.

3. Reserves

The Board of Directors has decided not to transfer any amount to the General Reserves, out of the profits made during the current financial year.

4. Dividend

Your Directors have recommended for your consideration the payment of dividend of Re. 0.50/- per share for the year ended 31st March, 2017 (i.e. @ 25% on the paid-up equity capital) to be paid, if approved at the Ninth Annual General Meeting.

5. Share Capital

During the year under review, the total paid-up share capital of the Company stood at Rs. 71,009,700/- consisting of 35,504,850 equity shares of Rs. 2/- each.

6. Extract of the Annual Return

As mandated by Section 92 of Companies Act, 2013 read with the rules made thereunder, the extract of annual return for the financial year ended 31st March, 2017 in Form No. MGT-9 is enclosed as **Annexure - I** to this report.

7. Directors and Key Managerial Personnel

a) Changes in Directors and Key Managerial Personnel (KMP)

During the year under review;

- (i) Ms. Sue F Wang has ceased to be the Director of the Company effective from 5th August, 2016.
- (ii) Ms. Madhu Gadodia was appointed as Additional Director on the Board, designated as Independent director of the Company effective from 27th August, 2016.

b) Details of Directors retiring at the ensuing Annual General Meeting (AGM)

- (i) In pursuance of section 152 of the Companies Act, 2013, at-least two-third of the Directors (excluding Independent Directors) shall be subject to retirement by rotation. One-third of such Directors must retire from office at each AGM and a retiring director is eligible for re-election.

Accordingly, Mr. Gary Yang retires by rotation and being eligible, offers to be re-appointed at the ensuing AGM. The Board of Directors of your Company recommends his re-election.

Ms. Madhu Gadodia will hold office up to the date of the ensuing AGM of the Company. Her appointment requires the approval of members at the ensuing AGM.

c) Declaration by Independent Directors

Pursuant to sub-section (7) of Section 149 of the Companies Act, 2013 read with the rules made thereunder, all the Independent Directors of the Company have given the declaration that they meet the criteria of independence as laid down in sub-section (6) of section 149 of the Act and the Board at its meeting held on 12th May, 2017 has duly taken note of the same.

8. Number of meetings of Board of Directors

During the year under review, five meetings of the Board of Directors were held. The details of the meetings of the Board are furnished in the Corporate Governance Report which is attached to this Report.

Also, pursuant to provisions of part VII of the Schedule IV of the Companies Act, 2013 and regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Separate Meeting of Independent Directors was held on 10th March, 2017 for transacting the business enumerated under the said provisions.

9. Annual Evaluation of Board

In pursuance of section 134 (3) (p) of the Companies Act, 2013 read with rules made thereunder, the Board of Directors carried out the performance evaluation of the Board as a whole, and of its Committees and individual directors. Directors held separate discussions with other Directors of the Company and obtained their feedback on overall Board effectiveness as well as performance of each of the other Directors.

10. Audit Committee

In pursuance of Section 177 of the Companies Act, 2013 read with the rules made thereunder and regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has duly constituted the Audit Committee consisting of 4 Non-Executive Directors with majority being Independent Directors including the Chairman of the Committee. The terms of reference of Audit Committee are as mentioned in Section 177 of the Companies Act, 2013 and part C of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The detailed terms of reference, constitution and other relevant details of Audit Committee have been given in Corporate Governance Report forming part of this Annual Report.

Further, in terms of section 177 (8) of the Act, it is stated that there were no such instances where the Board of Directors have not accepted the recommendations of the Audit Committee during the year 2016-17.

11. Nomination and Remuneration Committee, Policy and Disclosures on Managerial Remuneration

In accordance with Section 178 and all other applicable provisions, if any, of the Companies Act, 2013 read with the rules issued thereunder and regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have duly constituted Nomination and Remuneration Committee.

Further, the Board of Directors on the recommendations of the Nomination and Remuneration Committee, have put in place a Nomination and Remuneration Policy of the Company.

The Company's remuneration policy is driven by the success and performance of the individual employees, senior management, executive directors of the Company and other relevant factors including the following criteria;

- a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company;
- b) Relationship of remuneration to performance is clear and meets appropriate performance industry benchmarks; and
- c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company.

The information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/employees of your Company is set out in "Annexure - II" to this Report.

12. Stakeholders Relationship Committee

Pursuant to Section 178 (5) of the Companies Act, 2013 and regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has duly constituted "Stakeholders Relationship Committee". The detailed terms of reference, constitution and other relevant details of Stakeholders Relationship Committee has been given in Corporate Governance Report forming part of this Annual Report.

13. Vigil Mechanism/Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with the rules made thereunder, the Company has formulated and implemented Vigil Mechanism/ Whistle Blower Policy for disclosing of any unethical behavior, actual or suspected fraud or violation of company's code of conduct and other improper practices or wrongful conduct by employees or directors of the Company. The salient features of the policy have been detailed in the Corporate Governance Report forming part of this Annual Report. The Vigil Mechanism/ Whistle Blower Policy has been posted and is available on the website of the Company at <http://www.dlink.co.in/pdf/Whistle%20Blower%20Policy.pdf>.

During the year under review, the Company through Audit Committee has not received any complaints relating to unethical behavior, actual or suspected fraud or violation of company's code of conduct from any employee or directors.

14. Risk Management Policy

Pursuant to Section 134 (3) (n) of the Companies Act, 2013, the Company has formulated and implemented the Risk Management Policy. The Audit Committee shall review and monitor the Risk Management Policy, from time to time. The objective of the Risk Management Policy is to identify the risks impacting the business and formulate strategies/policies aimed at risk mitigation as part of risk management.

15. Details of Subsidiary Company

TeamF1 is subsidiary of the Company, engaged in the business of embedded software engineering and has R&D capabilities with expertise in Networking and Security and is expected to bring in positive value to D-Link in terms of enhancing its technological as well as its research and development capabilities with access to in house customization and development of new localized products.

TeamF1's standalone financial statements show gross revenue of Rs. 192.94 million as compared to Rs. 205.87 million in the previous fiscal year. The profit before tax stood at Rs. 26.63 million as compared to Rs. 43.06 million in the previous fiscal year.

The Company does not have any material unlisted Indian subsidiary. The Company has formulated a Policy on Material Subsidiary as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, and the policy is posted on the website of the Company under the web link <http://www.dlink.co.in/pdf/Material%20Subsidiary%20Policy.pdf>.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, the statement containing salient features of the financial statements of the Company's Subsidiary (in Form AOC-1) is enclosed as **Annexure - III** to this report.

16. Statutory Auditors

The members of the Company vide passing a resolution at the 8th Annual General Meeting of the Company had ratified appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Registration no.117366W/W-100018) as Auditors of the Company. The Board recommends for further ratification of appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountants as the Auditors of the Company for the financial year 2017-18.

17. Cost Audit

During the relevant period for the purpose of Section 148 of the Companies Act, 2013 read with the rules made thereunder, maintaining of the Cost Accounting records were not applicable considering the turnover of manufacturing activity.

18. Secretarial Audit Report

Pursuant to the provisions of section 204 of the Companies Act, 2013 read with rules made thereunder, the Board of Directors had appointed Mr. Shivaram Bhat, Practicing Company Secretary as Secretarial Auditor of the Company for the financial year 2016-17 for conducting the Secretarial Audit as required under the provisions of Companies Act, 2013.

The Secretarial Audit Report given by Mr. Shivaram Bhat in Form No. MR-3, is annexed as **Annexure - IV** to this report.

19. Deposits

Your Company has not accepted any Fixed Deposits during the year under review and, as such, no amount of principal or interest was outstanding as on date of Balance Sheet.

20. Particulars of loans, guarantees or investments

During the year the company has not granted loans and guarantee given, investments made and securities provided, covered under the provisions of Section 186 of the Companies Act, 2013.

21. Particulars of contracts or arrangements with related parties

The Company is a subsidiary of D-Link Holding Mauritius Inc. and is a part of D-Link Corporation. The Company is primarily engaged in marketing and distribution of D-Link branded Networking products in India and neighboring countries. The majority products are imported from D-Link Corporation and its Subsidiaries. All the transactions entered by the Company with Related Parties were in the Ordinary Course of Business and at Arm's Length price basis. The Audit Committee and the Board of Directors reviewed the transactions (which are repetitive in nature) and the Audit Committee granted approval for such transactions.

The disclosures as required under AS-18 have been made in Note No. 35 to the standalone financial statements. The particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 has been disclosed in Form No. AOC-2 which is annexed as **Annexure - V**.

The Policy on related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://www.dlink.co.in/pdf/RELATED%20PARTY%20POLICY.pdf>.

22. Details on Internal Financial Controls related to Financial Statements

Your Company has put in place adequate internal financial controls with reference to the financial statements for the fiscal 2016-17. In the opinion of the Board, the existing internal control framework is adequate and commensurate to the size and nature of the business of the Company.

23. Material Changes and Commitments, if any, affecting the Financial Position of the Company

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year, to which this financial statement relate, and the date of this Report.

24. Prevention and Redressal of Sexual Harassment at Workplace

The Company has formulated and implemented a policy on prevention, prohibition and redressal of sexual harassment of women at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 read with the rules made thereunder. The Company has also constituted Internal Committee as per requirements of the above Act.

During the financial year 2016-17, the committee has neither received any complaints nor were any cases pending as at 31st March, 2017.

25. Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

A) Conservation of energy

Your Company is primarily engaged in Marketing and Trading activities and has not consumed energy of any significant level and no additional investment is required to be made for reduction of energy consumption. However, the Company will continue with its efforts to conserve the energy.

B) Technology absorption

No comment is being made on technology absorption considering the nature of activities undertaken by your Company during the year under review.

C) Foreign exchange earnings and outgo

Total foreign exchange earnings and outgo is stated in Note 38 forming part of the Standalone Financial Statements.

26. Corporate Social Responsibility (CSR)

Pursuant to Section 135 of the Companies Act, 2013 read with rules made thereunder, your company has constituted a Corporate Social Responsibility Committee (CSR Committee) and has also formulated CSR Policy in accordance with the Act.

During the financial year, the company was required to spend Rs. 5.83 million towards Corporate Social Responsibility (CSR) activities for the financial year 2016-17. However, the company has spent Rs. 1.6 Million during the financial year and Rs. 2 million subsequent to the closure of financial year. The Company is required to spend Rs.10.39 million pertain to previous years.

The Company is in the process of ascertaining CSR initiatives for various programs at a base level, review and then putting an enhanced sustainable model to ensure maximum benefit to the community. For this reason, during the current and previous years, the amount spent by the Company on the CSR activities is less than the prescribed amount under the Act. The CSR activities are scalable which coupled with new initiatives that may be considered in future to spend CSR amount in accordance with the prescribed limits.

The details of Corporate Social Responsibility (CSR) are set out in **Annexure - VI**.

The CSR Policy of the Company has been posted on the website of the Company at <http://www.dlink.co.in/pdf/CSR%20Policy.pdf>.

27. Details of Significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

There was no significant and material order passed by any regulator or court or tribunal impacting the going concern status of the Company and its future operations.

28. Management Discussion and Analysis Report

The Management Discussion and Analysis including the result of operations of the Company for the year, as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is appended to this Annual Report.

29. Corporate Governance

As required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the report on Corporate Governance as well as the Auditors' Certificate regarding compliance of conditions of Corporate Governance forms a part of the Annual Report.

30. Directors' Responsibility Statement

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, your Directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended 31st March, 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

31. Acknowledgements

The Directors wish to convey their appreciation to Business Associates, Business Distributors/Partners and Bankers for their support and contribution during the year. The Directors thank the Company's employees for their hard work and customers, vendors, investors, for their continued support.

For and on behalf of the Board of Directors

Mumbai, Dated: 12th May, 2017

Gary Yang
Managing Director

Tushar Sighat
Executive Director & CEO

Form No. MGT-9

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014.

Extract of Annual Return

As on the financial year ended on 31st March, 2017

I REGISTRATION & OTHER DETAILS

i	CIN	L72900GA2008PLC005775
ii	Registration Date	26/05/2008
iii	Name of the Company	D-LINK (INDIA) LIMITED
iv	Category of the Company	Public Company
v	Address of the Registered Office & Contact Details	Plot no. U02B, Verna Industrial Estate, Verna, Salcette, Goa - 403722.
	Telephone (with STD Code)	0832-2885800
	Fax Number	0832-2885823
	Email Address	shares@dlink.co.in
	Website, if any	www.dlink.co.in
vi	Whether listed company	Yes
vii	Name and Address of Registrar & Transfer Agents (RTA)	
	Name of RTA	KARVY COMPUTERSHARE PRIVATE LIMITED
	Address	Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad, Telangana - 500008.
	Telephone	040-67161500
	Fax Number	040-23420814
	Email Address	einward.ris@karvy.com

II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the company
1	Wholesale of computers, computer peripheral equipment and software (Trading of Networking Products)	4651	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
1	D-Link Holding Mauritius Inc. 10 th Floor, Standard Chartered Tower, 19 Cybercity, Ebene, Mauritius	NA	Holding Company	51.02	2 (46)
2	TeamF1 Networks Private Limited. 5 th Floor, Block I, My Home Hub, Madhapur, Hyderabad - 500081.	U72200TG2012PTC078978	Subsidiary Company	99.99	2 (87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks/Fl	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
(2) Foreign									
a) NRI - Individual	-	-	-	-	-	-	-	-	-
b) Other - Individual	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	18114663	-	18114663	51.02	18114663	-	18114663	51.02	-
d) Banks/Fl	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	18114663	-	18114663	51.02	18114663	-	18114663	51.02	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	3308230	-	3308230	9.32	1281420	-	1281420	3.61	(5.71)
b) Banks/Fl	10802	-	10802	0.03	53439	-	53439	0.15	0.12
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	839950	-	839950	2.37	2.37
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	3319032	-	3319032	9.35	2174809	-	2174809	6.13	3.22
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2004002	-	2004002	5.64	2111868	-	2111868	5.95	0.30
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	5894601	25716	5920317	16.67	8696076	26816	8722892	24.57	7.89
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5529770	-	5529770	15.57	3938773	-	3938773	11.09	(4.48)
c) Others (NBFC)	-	-	-	-	255	-	255	0.00	0.00
Non Resident Indians	426991	-	426991	1.20	331823	-	331823	0.93	(0.27)
Clearing Members	187075	-	187075	0.53	106567	-	106567	0.30	(0.23)
Trusts	3000	-	3,000	0.01	3200	-	3200	0.01	0.00
Sub-total (B)(2):-	14045439	25716	14071155	39.63	15188562	26816	15215378	42.85	3.22
Total Public Shareholding (B)=(B)(1)+ (B)(2)	17364471	25716	7390187	48.98	7363371	26816	7390187	48.98	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	35479134	25716	35504850	100	35478034	26816	35504850	100	-

ii. Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledge/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	D-Link Holding Mauritius Inc.	18114663	51.02%	-	18114663	51.02%	-	0.00%
	TOTAL	18114663	51.02%	-	18114663	51.02%	-	0.00%

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No. I - D-Link Holding Mauritius Inc.	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	18114663	51.02%	18114663	51.02%
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/ transfer/bonus/sweat equity etc.)	No Change		No Change	
At the End of the year	18114663	51.02%	18114663	51.02%

iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Type	Name of the Share Holder	Shareholding at the beginning of the Year (April 2016)		Date	Increase/ Decrease in share holding (- denotes sale)	Cumulative Shareholding during the Year	
			No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company
1	Opening Balance	VINAI KOLLI	2254375	6.35	31/03/2016		2,254,375	6.35
	Sale				12/08/2016	(37,799)	2,216,576	6.24
	Sale				26/08/2016	(14,206)	2,202,370	6.20
	Sale				16/09/2016	(45,917)	2,156,453	6.07
	Sale				23/09/2016	(158,208)	1,998,245	5.63
	Sale				09/12/2016	(82,437)	1,915,808	5.40
	Sale				16/12/2016	(140,563)	1,775,245	5.00
	Sale				03/02/2017	(73,224)	1,702,021	4.79
	Sale				10/02/2017	(102,021)	1,600,000	4.51
	Sale				24/02/2017	(228,492)	1,371,508	3.86
	Sale				03/03/2017	(171,508)	1,200,000	3.38
	Closing Balance				31/03/2017		1,200,000	3.38

Sl. No.	Type	Name of the Share Holder	Shareholding at the beginning of the Year (April 2016)		Date	Increase/ Decrease in share holding (- denotes sale)	Cumulative Shareholding during the Year	
			No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company
2	Opening Balance	SBI MAGNUM BALANCED FUND	1173669	3.31	31/03/2016		1,173,669	3.31
	Sale				23/09/2016	(194,218)	979,451	2.76
	Sale				30/09/2016	(650,421)	329,030	0.93
	Sale				07/10/2016	(98,535)	230,495	0.65
	Sale				14/10/2016	(31,520)	198,975	0.56
	Sale				21/10/2016	(198,975)	-	0.00
	Closing Balance				31/03/2017		-	0.00
3	Opening Balance	KOTAK EMERGING EQUITY SCHEME	904561	2.55	31/03/2016		904,561	2.55
	Purchase				03/06/2016	23,799	928,360	2.61
	Purchase				10/06/2016	19,231	947,591	2.67
	Purchase				17/06/2016	18,829	966,420	2.72
	Purchase				12/08/2016	25,000	991,420	2.79
	Purchase				23/09/2016	290,000	1,281,420	3.61
	Closing Balance				31/03/2017		1,281,420	3.61
4	Opening Balance	SBI SMALL AND MIDCAP FUND	900000	2.53	31/03/2016		900,000	2.53
	Sale				30/06/2016	(192,615)	707,385	1.99
	Sale				01/07/2016	(32,891)	674,494	1.90
	Sale				08/07/2016	(17,212)	657,282	1.85
	Sale				15/07/2016	(180,946)	476,336	1.34
	Sale				22/07/2016	(1,906)	474,430	1.34
	Sale				23/09/2016	(474,430)	-	0.00
	Closing Balance				31/03/2017		-	0.00
5	Opening Balance	PRUSIK ASIAN SMALLER COMPANIES FUND PLC	0	0.00	31/03/2016		-	0.00
	Purchase				30/12/2016	548,000	548,000	1.54
	Closing Balance				31/03/2017		548,000	1.54

Sl. No.	Type	Name of the Share Holder	Shareholding at the beginning of the Year (April 2016)		Date	Increase/ Decrease in share holding (- denotes sale)	Cumulative Shareholding during the Year	
			No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company
6	Opening Balance	KOTAK OPPORTUNITIES	330000	0.93	31/03/2016		330,000	0.93
	Sale				02/09/2016	(10,000)	320,000	0.90
	Sale				09/09/2016	(24,627)	295,373	0.83
	Sale				16/09/2016	(5,373)	290,000	0.82
	Sale				23/09/2016	(290,000)	-	0.00
	Closing Balance				31/03/2017		-	0.00
7	Opening Balance	KOTAK INFINITY FUND	0	0.00	31/03/2016		-	0.00
	Purchase				27/01/2017	222,050	222,050	0.63
	Purchase				03/02/2017	24,100	246,150	0.69
	Purchase				17/02/2017	23,100	269,250	0.76
	Purchase				24/02/2017	22,700	291,950	0.82
	Closing Balance				31/03/2017		291,950	0.82
8	Opening Balance	INDIA INFOLINE LIMITED	290000	0.82	31/03/2016		290,000	0.82
	Sale				10/06/2016	(75,000)	215,000	0.61
	Sale				17/06/2016	(65,000)	150,000	0.42
	Sale				30/06/2016	(50,000)	100,000	0.28
	Sale				22/07/2016	(100,000)	-	0.00
	Closing Balance				31/03/2017		-	0.00
9	Opening Balance	ACIRA CONSULTANCY PRIVATE LIMITED	281636	0.79	31/03/2016		281,636	0.79
	Sale				06/05/2016	(136,687)	144,949	0.41
	Sale				03/06/2016	(15,000)	129,949	0.37
	Sale				12/08/2016	(129,949)	-	0.00
	Closing Balance				31/03/2017		-	0.00
10	Opening Balance	KONDAPANENI PRASANNA KUMAR	261930	0.74	31/03/2016		261,930	0.74
	Sale				03/06/2016	(15,000)	246,930	0.70
	Sale				10/06/2016	(33,595)	213,335	0.60
	Sale				17/06/2016	(26,060)	187,275	0.53
	Sale				24/06/2016	(55,345)	131,930	0.37
	Sale				06/01/2017	(130,000)	1,930	0.01
	Closing Balance				31/03/2017		1,930	0.01

Sl. No.	Type	Name of the Share Holder	Shareholding at the beginning of the Year (April 2016)		Date	Increase/ Decrease in share holding (- denotes sale)	Cumulative Shareholding during the Year	
			No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company
11	Opening Balance	RELIGARE FINVEST LTD	102785	0.29	31/03/2016		102,785	0.29
	Sale				15/04/2016	(150)	102,635	0.29
	Sale				27/05/2016	(650)	101,985	0.29
	Purchase				17/06/2016	19,345	121,330	0.34
	Purchase				24/06/2016	34,677	156,007	0.44
	Purchase				30/06/2016	69,186	225,193	0.63
	Sale				22/07/2016	(20)	225,173	0.63
	Sale				02/12/2016	(1,260)	223,913	0.63
	Sale				24/02/2017	(800)	223,113	0.63
	Closing Balance				31/03/2017		223,113	0.63
12	Opening Balance	SEEMA JAIN	210746	0.59	31/03/2016		210,746	0.59
	Sale				12/08/2016	(27,746)	183,000	0.52
	Sale				16/12/2016	(183,000)	-	0.00
	Closing Balance				31/03/2017		-	0.00
13	Opening Balance	ASHIRWAD INVESTMENTS PRIVATE LIMITED	152917	0.43	31/03/2016		152,917	0.43
	Closing Balance				31/03/2017		152,917	0.43
14	Opening Balance	ZAKI ABBAS NASSER	0	0.00	31/03/2016		-	0.00
	Purchase				02/12/2016	80,000	80,000	0.23
	Purchase				09/12/2016	20,000	100,000	0.28
	Purchase				10/02/2017	20,000	120,000	0.34
	Closing Balance				31/03/2017		120,000	0.34
15	Opening Balance	AKUM MERCANTILE COMPANY PRIVATE LIMITED	57936	0.16	31/03/2016		57,936	0.16
	Purchase				12/08/2016	22,100	80,036	0.23
	Purchase				25/11/2016	5,780	85,816	0.24
	Closing Balance				31/03/2017		98,011	0.28

Sl. No.	Type	Name of the Share Holder	Shareholding at the beginning of the Year (April 2016)		Date	Increase/ Decrease in share holding (- denotes sale)	Cumulative Shareholding during the Year	
			No. of Shares	% of total shares of the company			No. of Shares	% of total shares of the company
16	Opening Balance	KAUSHIK SHAH SHARES AND SEC PVT LTD	90000	0.25	31/03/2016		90,000	0.25
	Sale				01/04/2016	(10,000)	80,000	0.23
	Sale				10/03/2017	(34,000)	46,000	0.13
	Purchase				31/03/2017	44,000	90,000	0.25
	Closing Balance				31/03/2017		90,000	0.25

The above includes top 10 shareholder beginning of the financial year.

v. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of the Directors / Key Managerial Personnel	Date	Changes in the shareholdings (-) denotes sale	Shareholding at the beginning/ending of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Mr. Gary Yang	01-04-16		-	-	-	-
		31-03-17		-	-	-	-
2	Mr. Tushar Sighat	01-04-16		16427	0.05	16427	0.05
		31-03-17		16427	0.05	16427	0.05
3	Mr. Rajaram Ajgaonkar	01-04-16		-	-	-	-
		31-03-17		-	-	-	-
4	Mr. Satish Godbole ¹	01-04-16		50	0.00	50	0.00
		31-03-17		50	0.00	50	0.00
5	Mr. Anil Bakshi	01-04-16		-	-	-	-
		31-03-17		-	-	-	-
6	Ms. Sue Fung Wang ²	01-04-16		-	-	-	-
		31-03-17		-	-	-	-
7	Mr. Douglas Hsiao	01-04-16		-	-	-	-
		31-03-17		-	-	-	-
8	Mr. Mukesh Lulla	01-04-16		2618773	7.38	2618773	7.38
		31-03-17		2618773	7.38	2618773	7.38
9	Ms. Madhu Gadodia ³	01-04-16		-	-	-	-
		31-03-17		-	-	-	-
10	Mr. C. M. Gaonkar ⁴	01-04-16		75881	0.25		
		26-11-16	6000				
11	Mr. Shrinivas Adikesar	31-03-17			0.25	81,881	0.25
		01-04-16		500	0.00	500	500
		31-03-17		500	0.00	500	0.00

1. 25 shares are held in joint shareholding with relative.

2. Ceased to be director with effect from August 5, 2016

3. Appointed as director with effect from August 27, 2016

4. 9,487 shares are jointly held with the relative.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(in Rs.)

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits*	Unsecured Loans	Deposits	Total Indebtedness
Principal Amount	Nil	-	-	Nil
Change in Indebtedness during the financial year				
Reduction		-	-	
Indebtedness at the end of the financial year				
Principal Amount*	11,47,64,266	-	-	11,47,64,266
Total	11,47,64,266	-	-	11,47,64,266

* Working Capital Cash Credit Facilities from Banks on Cash Credit accounts, secured by hypothecation of stocks and book debts.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

(in Rs.)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Gary Yang	Tushar Sighat	
1	Gross salary	4,930,465	27,021,114	31,951,579
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,930,465	27,021,114	31,951,579
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
5	Others, please specify	-	-	-
	Total (A)	4,930,465	27,021,114	31,951,579
	Ceiling as per the Act	10% of Net profit of the Company.		

B. Remuneration to other directors

(in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Douglas Hsiao	Mukesh Lulla	Rajaram Ajaonkar	Satish Godbole	Anil Bakshi	Madhu Gadodia	
1	Fee for attending board committee meetings	50,000	250,000	625,000	625,000	625,000	150,000	2,325,000
	Commission	-	-	-	-	-	-	-
	Others	-	-	-	-	-	-	-
	Total	50,000	250,000	625,000	625,000	625,000	150,000	2,325,000
	Total Managerial Remuneration							31951579
	Overall Ceiling as per the Act	10% of Net profit of the Company						

C. Remuneration to key managerial personnel other than MD/Manager/WTD

(in Rs.)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Shrinivas Adikesar Company Secretary	C.M. Gaonkar CFO	
1	Gross salary	1,908,087	5,545,558	7,453,645
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,908,087	5,545,558	7,453,645
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
5	Others, please specify	-	-	-
	Total	1,908,087	5,545,558	7,453,645

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

There were no Penalties/Punishment/Compounding of Offences during the year ended 31st March 2017.

For and on behalf of the Board of Directors

Mumbai, Dated: 12th May, 2017

Gary Yang
 Managing Director

Tushar Sighat
 Executive Director & CEO

Managerial Remuneration

Part A

DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2016 – 17 is as below;

Sr. No.	Name of the Director	Ratio of remuneration of director to the Median remuneration
1	Mr. Gary Yang (Managing Director)	11.95:1
2	Mr. Tushar Sighat (Executive Director &CEO)	65.48:1
3	Mr. Rajaram Ajgaonkar	Nil
4	Mr. Satish Godbole	Nil
5	Mr. Anil Bakshi	Nil
6	Ms. Sue-Fung Wang ¹	Nil
7	Mr. Douglas Hsiao	Nil
8	Mr. Mukesh Lulla	Nil
9	Mr. Madhu Gadodia ²	Nil

1. Ceased to be director with effect from August 5, 2016

2. Appointed as director with effect from August 27, 2016

- b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2016-17;

Sr. No.	Name of the Director	Increase %*
1	Mr. Gary Yang	59
2	Mr. Tushar Sighat	29
3	Mr. C. M. Gaonkar	16
4	Mr. Shrinivas Adikesar	26

* The percentage increase in remuneration is not comparable due to payment of performance bonus and of ex-gratia in the Current year pertaining to previous year.

- c) The median remuneration of the employees was increased by 16% in the financial year 2016-17.
- d) There were 298 permanent employees on the rolls of company as on March 31, 2017.
- e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof;
- The increase in average remuneration of all employees excluding managerial persons in the financial year 2016-17 was around 21% as compared to the financial year 2015-16.
- f) Affirmation that the remuneration is as per the remuneration policy of the company.
- Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of the Company.
- g) The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Amount in Rupees)

Sl. No.	Particulars	Details
1	Name of the subsidiary Company	TEAMF1 NETWORKS PRIVATE LIMITED
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 st April, 2016 to 31 st March, 2017
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Indian Rupees
4	Share capital	105,000
5	Reserves & surplus	63,319,763
6	Total assets	70,304,903
7	Total Liabilities	6,880,140
8	Investments	-
9	Turnover	192,939,925
10	Profit before taxation	26,631,525
11	Provision for taxation	8,765,963
12	Profit after taxation	17,865,562
13	Proposed Dividend	-
14	% of shareholding	99.99%

Notes:

- There are no other subsidiaries of the Company.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sl. No.	Name of associates/Joint Ventures	Details
1	Latest audited Balance Sheet Date	Not applicable
2	Shares of Associate/Joint Ventures held by the company on the year end - No. of Shares - Amount of Investment in Associates/Joint Venture - Extend of Holding %	Not applicable
3	Description of how there is significant influence	Not applicable
4	Reason why the associate/joint venture is not consolidated	Not applicable
5	Networth attributable to Shareholding as per latest audited Balance Sheet	Not applicable
6	Profit/Loss for the year	Not applicable
	i. Considered in Consolidation	
	ii. Not Considered in Consolidation	

Note:

- There are no other associates or joint ventures of the Company.

For and on behalf of the Board of Directors

Gary Yang
Managing Director

Tushar Sighat
Executive Director & CEO

C. M. Gaonkar
Chief Financial Officer

Shrinivas Adikesar
Company Secretary

Mumbai, dated: 12th May, 2017

Form MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014)]

To,

The Members,

D-Link (India) Limited

Plot No U02B, Verna Industrial Estate,
Verna Salcette, Goa - 403722.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by D-Link (India) Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 (hereinafter referred to as the " Audit Period") generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment. (provisions of External Commercial Borrowing & Overseas Direct Investment not applicable to the Company during the Audit Period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the audit period);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the audit period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the audit period);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the audit period); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period).

- vi. The following law and Regulation applicable specifically to the Company viz.,
- The Environment (Protection) Act, 1986; and
 - E-waste (Management and Handling) Rules, 2016.

I have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India.
- The Listing Agreements entered into by the Company with Stock Exchanges read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as prescribed.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings, as represented by the management, were taken unanimously.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Shivaram Bhat

Place : Panaji, Goa

Date : 8th May, 2017

Practising Company Secretary
ACS No. 10454 & CP No. 7853

This Report is to be read with our letter of even date which is annexed as **Annexure A** and Forms an integral part of this report.

'ANNEXURE A'

(My report of even date is to be read along with this Annexure.)

- Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
- I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
- I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Shivaram Bhat

Place : Panaji, Goa

Date : 8th May, 2017

Practising Company Secretary
ACS No. 10454 & CP No. 7853

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
			Not applicable					

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name(s) of the of related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any	Amount paid as advances, if any
1	D-Link International Pte. Ltd.	Fellow Subsidiary	Purchase/ Sale of traded goods or materials	The transactions are ongoing and existing prior to Commencement of the Companies Act 2013.	The proposed transactions are in the ordinary course of business and at arm's length considering that transactions are entered into as per transfer pricing arms length norms.	The transactions are entered in the ordinary course of business and are at arms length basis. The same are approved by the Board and Audit Committee on 12 th May, 2017.	NA

For and on behalf of the Board of Directors

Mumbai, dated: 12th May, 2017

Gary Yang
Managing Director

Tushar Sighat
Executive Director & CEO

Annual Report on CSR

[Pursuant to Rules 8 & 9 of Companies (Corporate Social Responsibility Policy) Rules, 2014.]

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company has framed the CSR policy in accordance with the provisions of Companies Act, 2013 read with schedule VII to the Companies Act, 2013 at the board meeting held on May 19, 2014.

2. The Composition of the CSR Committee

Name of the Member	Designation
Mr. Anil Bakshi	Chairman
Mr. Gary Yang	Member
Mr. Tushar Sighat	Member
Mr. Rajaram Ajgaonkar	Member
Mr. Satish Godbole	Member

3. Average net profit of the company for last three financial years (Rs. in Million)

Particulars	31st March, 2016	31st March, 2015	31st March, 2014
Net Profit (or Loss) for the year [Before tax] for the purpose of section 135	331.91	338.52	204.48
Average Profit	291.64		

4. Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)

CSR for FY 31st March 2017 (2% of above)	Rs. 5.83 Million
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5. Details of CSR spent during the financial year

a) Total amount to be spent for the financial year - Rs. 4.23 million. However, the Company spent Rs. 1.6 million during the financial year and Rs. 2 million subsequent to the closure of financial year.

b) Amount unspent, if any - Rs. 10.39 Million.

c) Manner in which the amount spent during the financial year is detailed below*:

Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programs Local area or other Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub heads 1. Direct expenditure on projects or programs 2. Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1	Medical aid in BCJ Hospital, St. Cruz, Mumbai	Promoting Healthcare	Operational area of Corporate Office.	1.6 Million	1.6 Million	1.6 Million	BCJ Hospital
2	House of Charity*	Orphanage and handicapped	Operational area of Corporate Office.	1 Million	1 Million	1 Million	Direct
3	Prabodhan Goregaon*	Promoting Healthcare	Operational area of Corporate Office.	1 Million	1 Million	1 Million	Direct

* The Amount was spent subsequent to close of the financial year 2016-17.

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

The reason for not spending the quantifying CSR amount on CSR activities is given in the Directors report.

7. A responsibility statement of the CSR Committee

The implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Gary Yang
 Managing Director

Tushar Sighat
 Executive Director & CEO

Anil Bakshi
 Chairman CSR Committee

Mumbai dated: 12th May, 2017

Management Discussion and Analysis Report

INDUSTRY OVERVIEW

Global Economic Scenario

The global economy is in its sixth year of virtual stagnation and the global outlook indicates a slow growing economy with GDP growth ranging from 3.0% to 3.4%. The world is going through a period of great geopolitical uncertainty. Geopolitical events, restrained demand and weak investment will continue to take a toll on the global growth trajectory. The lack of business confidence has resulted in making investors cautious, which in turn is likely to slow down the progress even further.

The emerging markets are faced with their own challenges like uncertainties of rising interest rates. All major central banks like Federal Reserve, European Central Bank and the Bank of Japan have progressively withdrawn their accommodative monetary policy to ensure that the rate rise will be sustainable.

On the positive side, prices of oil and commodities are expected to recover. The outlook for advanced economies, for 2017-18, has improved largely due to expected fiscal stimulus in the US. To sum up, the world economy is not out of the woods yet. A more robust, sustained and balanced global recovery is still missing. The global financial reforms implemented so far have not been totally adequate.

The uncertainty and pessimism have also driven organizations to tighten their belts on IT spending. At the same time, businesses realize that they would need to stay focused on strengthening growth factors, such as, technology, innovation, skills and possible disruptive forces. New digital tools and technology could increase productivity everywhere and enterprises across the world do realize that it would be fruitful to leverage digital technology to strengthen their capabilities and enhance their productivity.

Worldwide IT spending is projected to total \$3.5 trillion in 2017, a 2.7% increase from \$3.37 trillion in 2016. However, this growth rate is down from the earlier projection of 3%, according to Gartner, Inc. This comes after a 0.6% decline in growth in 2016. IT spending is expected to further grow by 2.6% in 2018 to \$3.55 trillion.

2017 was poised to be a rebound year in IT spending. Some major trends have converged, including cloud, block chain, digital business and artificial intelligence. This would have pushed IT spending much higher than 2.7% growth but political uncertainty in global markets have caused many enterprises to forestall IT investments.

Worldwide devices spending (PCs, tablets, ultramobiles and mobile phones) is projected to remain flat in 2017 at \$589 billion. Emerging markets will drive the replacement cycle for mobile phones as smartphones in these markets are used as a main computing device and replaced more regularly than in mature markets.

The data centre system segment is expected to grow 0.3 per cent in 2017, up from negative growth in 2016. The segment is, however, experiencing a slowdown in the server market.

The worldwide IT services market is forecast to grow 4.2% in 2017. Investments in digital business, intelligent automation, and services optimization and innovation continue to drive growth in this segment, but buyer caution, fueled by broad economic challenges, remains a counter-balance to faster growth.

Global spending on the Internet of Things (IoT) will grow 16.7% in 2017, reaching just over \$800 billion, according to IDC's Worldwide Semiannual Internet of Things Spending Guide. By 2021, worldwide IoT spending will be about \$1.4 trillion as organizations continue to invest in the hardware, software, services, and connectivity that enable the IoT.

INDUSTRY OUTLOOK IN INDIA

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). As per the Economic Survey 2016-17, the Indian economy should grow between 6.75 and 7.5 per cent in FY 2017-18. The improvement in India's economic fundamentals has accelerated with the combined impact of strong government reforms, Reserve Bank of India's (RBI) inflation focus supported by benign global commodity prices.

India's gross domestic product (GDP) grew by 7 per cent year-on-year in the October-December 2016 quarter, which is the strongest among G-20 countries, as per Organisation for Economic Co-operation and Development (OECD) Economic Survey of India, 2017. According to IMF World Economic Outlook Update (January 2017), the Indian economy is expected to grow at 7.2 per cent during FY 2016-17 and further accelerate to 7.7 per cent during FY 2017-18.

India's IT networking industry has witnessed significant changes in the last few years. The growing number of internet subscribers enhanced IT infrastructure and rapid digitization have accelerated the networking market in the country.

The networking industry will continue to grow at a robust pace on the back of higher enterprise spending, a further roll out of 4G networks and increasing broadband penetration. With strong parental support from D-Link Taiwan, in terms of a pipeline of the latest and innovative products, D-Link India is ideally placed to take advantage of the impending boom in networking and internet products.

The growing IT spending and increasing government initiatives would fuel growth of the India enterprise networking market over the coming quarters. The industry players are continuously expanding and innovating their product portfolio to adapt to the technological changes and cater to the growing consumer needs. The Indian market has witnessed an increasing demand for dual band Wi-Fi, sleek design, 3G/4G connectivity and smart routers.

Management Discussion and Analysis Report

Gartner predicts high rates of spending on cloud services in India to continue through 2019 when the market is expected to reach \$1.9 billion. The forecast for cloud services vary based on local factors, including supply and demand within the local markets, country-specific economic conditions, currency exchange rates, and other global market factors.

The explosive growth of Software as a service (SaaS) and infrastructure as a service (IaaS) in the India market is an indication that enterprises in India are moving away from building their own on premises infrastructure, as well as migrating from the traditional software licensing model, to a SaaS model served up by cloud providers.

The increased internet penetration and rise of ecommerce are the main reasons for continued growth of the data centre colocation and hosting market. The telecom 4G rollouts and government projects comprising of various e-governance, surveillance and digital initiatives are expected to contribute to the growth in the coming years.

According to IDC's (International Data Corporation) Quarterly Switch and Router tracker, the Ethernet Switch market witnessed a year-on-year growth of 21% (in vendor Revenue) and stood at \$131.23 million. The Router market witnessed a year-on-year decline of 4% and stood at \$69.2 million in terms of vendor revenue.

The Indian networking market continues to post robust growth.

Increased spending from the enterprise segment refreshes drove the overall LAN market in Q4 2016. There was a significant increase in uptake of L3 and ADC switches in both the enterprise and service provider segments. Investments in the government, education, telecom, professional services and BFSI were the key drivers for growth in this segment.

The Router market was driven mainly by investments from the service providers for 4G rollouts and technology refreshes. Increased Y-o-Y uptake of high end router from the service provider segment and the enterprise segment will continue to drive the market.

The huge amount of data available and adoption of advance analytics will enable efficient network management for improved performance. According to IDC, Wireless WLAN tracker, the WLAN market in India registered \$46.20 million (Vendor revenue) and witnessed a YoY de-growth of 5.8% in Q4 2016 due to the impact of demonetization on the consumer segment. In Q4 2016 the enterprise segment saw a growth of 4% Q-o-Q from Q3 2016. This growth was predominantly driven by access point category in the enterprise segment. The demand for WLAN at outdoor locations increased by almost 9% Y-o-Y in Q4 2016.

Education, professional services and telecom were the major contributing verticals this quarter, while the government, banking, and transportation had increased investment over Q3 2016.

Wi-Fi hotspots at public spaces and Increased adoption of Wi-Fi by education institutes to facilitate world class infrastructure will continue to see growth in the coming quarters. Technology upgrades to 802.11ac to support higher bandwidth requirement will also follow a growing trend.

D-Link continues its dominance in the WLAN segment with a 29.50% market share due to increased demand in the enterprise segment, followed by Cisco and TP-link. Cisco and Netgear witnessed a Y-o-Y degrowth while TP-link posted a Y-o-Y growth of around 6% in Q4 2016.

The LAN market continues to grow in single digits in terms of compound annual growth rate (CAGR) for 2016-2021. Government, Education and BFSI are expected to emerge as promising segments in the future.

The WLAN market is expected to grow in single digit in terms of compound annual growth rate (CAGR) for 2016-2021. Increased deployment at outdoor locations along with technology upgrades to 802.ac will be catering to the growth across segments. The demand for WLAN in the future will be accompanied by the growing emphasis on the Internet Of things and Smart devices and workplaces.

Total spending on IT by banking and security firms in India is expected to grow 8.6 per cent year-on-year to US\$ 7.8 billion by 2017.

India's internet economy is expected to touch Rs. 10 trillion (US\$ 146.72 billion) by 2018, accounting for 5 per cent of the country's GDP.

The public cloud services market in India is slated to grow 35.9 per cent to reach US\$ 1.3 billion according to IT consultancy, Gartner. Increased penetration of internet (including in rural areas) and rapid emergence of e-commerce are the main drivers for continued growth of data centre co-location and hosting market in India. The Indian Healthcare Information Technology (IT) market is valued at US\$ 1 billion currently and is expected to grow 1.5 times by 2020. India's business to business (B2B) e-commerce market is expected to reach US\$ 700 billion by 2020 whereas the business to consumer (B2C) e-commerce market is expected to reach US\$ 102 billion by 2020.

The BFSI and government sectors continued to grow at a faster rate in terms of IT adoption. With the demonetization move, the government has been pushing toward a cashless economy. Newer entrants such as payments banks and small finance banks are expected to open in 2017, thus creating an opportunity for service providers to leverage.

The government has big plans to invest in technology with its "Digital India" campaign. With the internet penetration still low, the government has fast-tracked the laying of optical fiber cable for broadband connectivity.

Management Discussion and Analysis Report

OPPORTUNITIES AND THREATS

Having seen a “modest setback” due to demonetization in the last fiscal, the Indian economy will claw back to 7.2% growth this financial year and rise further to 7.5% in 2018-19, says a World Bank report.

The growth slowed down to 6.8% in 2016-17 due to a combination of weak investments and the impact of demonetisation, adding that timely and smooth implementation of the GST could prove to be a significant “upside risk” to economic activity in 2017-18. The economic growth is projected to increase gradually to 7.7% by 2019-20, underpinned by a recovery in private investments, which are expected to be crowded in by the recent increase in public capex and an improvement in the investment climate.

D-Link (India) Limited is a principal player in the SOHO and SMB segment, closely aligned with System Integrators. In parallel, the company also targets other key verticals, including Government, Education, BFSI and Manufacturing, among others.

In the last five years, India’s Routers and Ethernet Switches market has registered significant growth. Routers can be categorized as- wired and wireless, wherein wireless dominates both in revenue and volume terms. India being one of the potential markets for routers is increasingly witnessing growth in demand for wireless routers. Whereas Ethernet switches can be segmented as managed and un-managed switches. Presently, Managed switch segment accounted for dominant market revenue share; increasing amount of data traffic over the network coupled with increasing bandwidth requirements in the enterprise segment are driving the market for managed switches.

India’s routers and switches market is buoyed by several factors predominantly adoption of 3rd platform solutions such as cloud, mobility, big data & social business, internet enabled devices, Bring Your Own Device (BYOD), and growing number of SMEs in the country. Apart from this, India’s rising internet penetration along with growing IT spending spurred the market for routers and switches in the country. India’s internet penetration is poised to reach 40% - 45%, and IT spending to touch \$116 billion by 2022.

The Indian surveillance market is witnessing immense growth from sectors such as city surveillance, hospitality, airport security, BFSI, retail, BPO, manufacturing, college campuses, infrastructure companies and education. The government, in general, is the biggest segment in terms of volume demand. D-Link India enjoys significant competitive advantage with products and capabilities to provide solutions spanning the entire networking infrastructure.

Increasing penetration of Internet in India with the rapid expansion of broadband spectrum availability is enabling businesses to look at Tier II/Tier III cities not only for addressing newer markets but also for IT companies to look for delivery centres in these places. As a result, IT and network Infrastructures services and

associated value added services would therefore be a growth area.

OPERATIONAL REVIEW

D-Link believes that in order to stay on top, it must continue to innovate. Remaining not just relevant, but the preferred brand on the cutting edge of Internet technology is no easy task, and D-Link knows what it must do to retain that position. D-Link is focused on providing world-class customer services and has worked towards enhancing its existing support infrastructure PAN India. Today, there are 11 D-Link Direct Service Centres, 49 Partner Service centre and 156 Courier Collection points across the country. With this now D-Link India has coverage for 128 Locations with 216 Service Points for Customer Support and thereby ensure complete customer peace of mind. Further customers can also interact with the technical experts present at the centres and have hands-on product experience with live demos. We proud to say that, our TCE (Total Customer Experience) Score is above 95% consistently.

The Company expects average growth during FY17-18 with strong parental support in terms of pipeline of the latest and innovative products as well as working capital cycle management. The pan-India distribution network of over 18 branch offices, 90 business distributors (National/Regional/ Business Distributors all across India + in the SAARC), 500 dealers and 5000 re-sellers allows it to reach every nook and corner of India.

Product Performance

Network Switching: D-Link offers the complete range of switching solutions including Chassis, L3/L2 Managed, Web-Smart and Un-Managed switches. These find use in bandwidth intensive applications like streaming video, VoIP and high-end multimedia. There is increased demand for gigabit switches from large enterprises and service providers. Verticals like government, retail, manufacturing, services, financial, education, healthcare and telecom contributed to the revenues of this segment. Built on the strength of these D-Link Network Switches, specific network solutions can help small and medium-size businesses, hospitals, schools, universities and government agencies meet the challenge of growing demands and shrinking resources.

From enabling physical security to managing an end-to-end wireless infrastructure or protecting and storing sensitive data, D-Link Network Switches provide the basis for secure and reliable business networks. D-Link’s comprehensive sections of switches includes 10 Gigabit, Gigabit, Fast Ethernet and PoE that range from entry level to full managed, more sophisticated solutions. Products under this category includes Unmanaged, Smart, Managed, xStack, Chassis and Unified Wireless.

Surveillance Solutions: D-Link surveillance products are in demand with wide acceptance from various industry verticals.

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The focus is on all three segments separately - be it Consumer, SMB/SME or Enterprise. D-Link offers a range of IP-based Surveillance Cameras with Wired and Wireless options; these can be integrated with NVR (Network Video Recorder) solutions for archiving. The cameras span the spectrum of possibilities, including Stand-Alone Network Cameras, Pan Tilt Zoom Cameras, Dome Cameras (Day & Night), Box Cameras and Outdoor Cameras.

Wireless: D-Link continues to play a pioneering and driving role in the cost-effective convergence of wired and wireless networking. The Company enjoys leadership position in unit terms in WLAN category. Its product portfolio includes Business Class Access Points, Unified Switching Solutions, and Long Distance Wireless etc. Further in consumer space, the boom in smartphone segment enabled us to position our complementing product line like net-generation 11AC standard products & 3G effectively. All D-Link Wireless AC routers support dual-band wireless, operating on both the 2.4 GHz and the 5 GHz wireless bands. This allows you to browse the web, chat and e-mail using the 2.4 GHz band on your smartphone and computer, while simultaneously streaming stream HD. D-Link offers unified wireless networking solutions that enable small and medium-sized businesses to create highly mobile, highly productive work environments at a low total cost of ownership.

With products that provide excellent value across a wide range of scenarios, D-Link wireless networks are scalable, easy to deploy and manage - delivering reliable, secure connectivity, in a self-healing solution. D-Link's free bespoke web-based Wi-Fi network management software - Central WiFiManager - allows setup, management and control of an entire network from one central location from any Internet-connected device.

Passive Products: Structured Cabling is another key segment for D-Link. D-Link's wide product range combined with premium quality and excellent brand re-call has resulted in good confidence amongst partners and customers. D-Link has the entire copper and fiber range which can be positioned in high end applications like data centers.

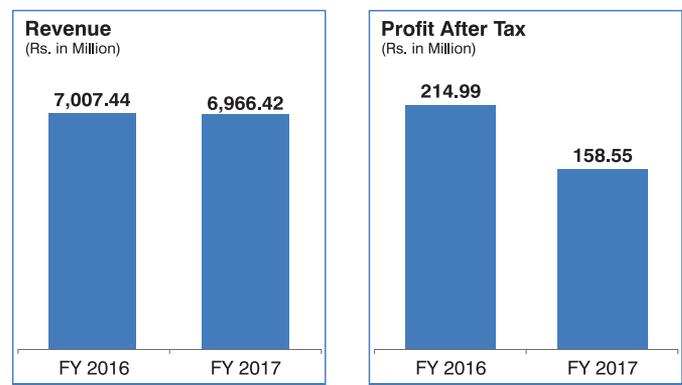
Over the years, D-Link has witnessed remarkable growth in the Structured Cabling product category, with strong demand from large enterprises, SMEs/SMBs. The emphasis has always been on delivering complete end-to-end solution, and with this agenda we decided to introduce networking enclosures into our product portfolio. Moving ahead the Company is confident to continue to deliver technological excellence and complete customer satisfaction.

Introduction of IOT Range: D-Link had introduced Connect Home series - its IoT range of products that enable homes to be interconnected to information and smart-enabled in an integrated services environment. These products help make Smart Home a reality:

- Smart Plug - Control your devices and appliances from anywhere.
- Audio Extender - A portable device that allows streaming of music from any smartphone or tablet connected on network, to any speaker or sound system in the vicinity.
- Wireless Sensors - Always know when something's moving at home.
- Home Surveillance Cameras - The simplest way to keep an eye on your home, kids, pets, or business.

Financial Review

During the year under review, the standalone revenues from operations have declined marginally to Rs. 6,966.42 Million from Rs. 7,007.44 Million of the previous year 2015-16.



Profit before Depreciation and Tax of Rs. 254.68 million as compared to Rs. 346.59 Million in the previous year. Profit Before Tax for the year stood at Rs. 242.98 million while Net Profit for the year stood at Rs. 331.91 million.

Human Resource Development

The Company believes that it is the quality and dynamism of its human resource that enables it to make a significant contribution to enhancing stakeholder value.

HR is integrated within the business framework to provide foundation for building the skill sets required. At D-Link, employees are given opportunities to develop their competence towards challenging roles by leveraging on the exposure and responsibilities entrusted to them. D-Link's dedicated and talented workforce of more than 298 people across India has assisted in driving our achievements and success.

Risks And Concerns

Technology Risk

Digitalization is emerging as a disruptive force for customers, buyers and technology. This disruption coupled with changes in delivery models and consumer spending patterns could be a threat to the growth in traditional IT spends and technology

Management Discussion and Analysis Report

obsolescence. D-Link operates in an ever evolving and dynamic technological environment and it is of utmost importance that the Company continuously reviews and upgrades its technology, resources and processes lest it faces technology obsolescence. The company addresses this by a strong support from parent company on R&D so that it stays ahead of the curve in technology and continuously sets a new benchmark with cutting edge innovation.

Competition

The IT services industry is highly competitive with competition arising from local IT companies and MNC IT hardware companies having sizable presence in low cost technologies. The competition can lead to pressure on pricing, vendor consolidation and hence can impact Company growth and profitability. New competitors are emerging from adjacent markets and distant geographies. To remain competitive, the Company has developed competencies in various technologies, platforms and operating environments and offers a wide range of cutting edge technology products to customers based on their needs.

D-Link's differentiation strategy incorporating its unique business approach has led to its emerging as a leader in the rapidly dynamic IT industry. However, D-Link has developed competencies in various technologies, platforms and operating environment offering the wide range of product options to customer based on their needs. The Company has deep domain knowledge, skilled workforce, delivery capabilities and efficient sales force to help retain its competitive positioning amongst peers.

Currency risks

The Company's functional currency is the Indian Rupee volatility in currency exchange movements results in transaction and translation exposure. D-Link has substantial exposure to foreign exchange related risks on account of imports of finished traded products from its parent group companies. The management predicts that the global financial position will continue to remain volatile. This trend is expected to continue during the year too. D-Link has a well-established hedging policy which has been followed consistently over the past years. Hedging is undertaken to protect the Company from unfavourable currency movements and the Company does not undertake any speculative hedging.

Internal Control Systems and their Adequacy

The Company has aligned its current systems of Internal Financial Control with the requirement of Companies Act 2013. Management maintains internal control systems designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance with management's authorization and properly recorded, and accounting records are adequate for preparation of financial statements and other financial information. The internal audit function also carries out Operations Review Audits to improve the processes and strengthen control of the existing processes.

The Audit Committee periodically reviews the functions of internal audit.

D-Link's internal control systems and procedures adhere to industry standards in terms of effective resource utilisation, operational efficiency and financial reporting.

The Company has appointed reputed firms of Chartered Accountants to oversee and carry out Internal Audits. The Audit is based on an Internal Audit Plan, which is reviewed each year in consultation with the Audit Committee. In line with International practice, the conduct of Internal Audit is oriented towards the review of Internal Controls.

The adequacy of the Company's internal controls are tested from time to time and control deficiencies, if any, identified during the assessments are addressed appropriately.

Disclaimer

Certain statements made in this report relating to the Company's objectives, projections, outlook, estimates, etc. may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such estimates or projections etc., whether expressed or implied. Several factors including but not limited to economic conditions affecting demand and supply, government regulations and taxation, input prices, exchange rate fluctuation, etc., over which the Company does not have any direct control, could make a significant difference to the Company operations. The Company undertakes no obligation to publicly update or revise any forward looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on any forward looking statements. The MD&A should be read in conjunction with the Company's financial statements included herein and the notes thereto. Information provided in this MD&A pertain to D-Link (India) Limited unless otherwise stated.

For and on behalf of the Board

Mumbai dated: 12th May, 2017

Gary Yang
Managing Director

Report on Corporate Governance

The detailed report on Corporate Governance as per the format prescribed by Securities Exchange Board of India vide SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is set out below:

1. Statement on Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is about promoting corporate fairness, transparency and accountability in the functioning of the Company and in its relationship with employees, shareholders, creditors, consumers, dealers, and ensuring regulatory compliances.

The Board of Directors believe that adherence to sound corporate governance policies and practices is important in ensuring that the Company is governed and managed with the highest standards of responsibility, ethics and integrity and in the best interests of its stakeholders.

2. Board of Directors

2.1 Composition and Category of Directors

The composition of the Board of Directors is in conformity with the Corporate Governance norms as on 31st March, 2017. The Company at present has eight Directors on its Board, comprising of two Executive Directors and six Non-Executive Directors out of which four are Independent Directors including one Women Director. The name and category of each Director is given below:

Name of the Director	Category
Mr. Douglas Hsiao	Non-Executive Director and Chairman
Mr. Yao Chuan Yang (Mr. Gary Yang)	Executive Director (Managing Director)
Mr. Tushar Sighat	Executive Director and Chief Executive Officer (CEO)
Mr. Rajaram Ajgaonkar	Non-Executive and Independent
Mr. Satish Godbole	Non-Executive and Independent
Mr. Anil Bakshi	Non-Executive and Independent
Mr. Mukesh Lulla	Non-Executive Director
Ms. Madhu Gadodia [#]	Non-Executive and Independent
Ms. Sue-Fung Wang [*]	Non-Executive and Independent

[#] Ms. Madhu Gadodia was appointed as Additional Director of the Company with effect from 27th August, 2016.

^{*} Ms. Sue-Fung Wang has ceased to be Director w.e.f. 5th August, 2016.

2.2 Attendance of each Director at the Board Meetings and the last Annual General Meeting (AGM)

Name of the Director	No. of Board Meetings Held	No. of Board Meetings attended	Attendance at last AGM
Mr. Douglas Hsiao	5	1	Present
Mr. Gary Yang	5	5	Present
Mr. Tushar Sighat	5	5	Present
Mr. Rajaram Ajgaonkar	5	5	Present
Mr. Satish Godbole	5	5	Present
Mr. Anil Bakshi	5	5	Present
Mr. Mukesh Lulla	5	5	Present
Ms. Madhu Gadodia [#]	5	2	NA
Ms. Sue-Fung Wang [*]	5	0	NA

[#] Ms. Madhu Gadodia has attended two board meetings held after her appointment as Additional Director of the Company with effect from 27th August, 2016.

^{*} Ms. Sue-Fung Wang had sought leave of absence from the board meetings held during her tenure as Director.

2.3 Number of other Directorship and Chairmanship/ Membership of Committees of each Director in other Companies and shareholding as at 31st March, 2017

Name of the Director	No. of Directorships held in other Indian Public Companies ¹	No. of Chairmanship/ Membership in other Board Committees ²	
		Chairman	Member
Mr. Douglas Hsiao	Nil	Nil	Nil
Mr. Gary Yang	Nil	Nil	Nil
Mr. Tushar Sighat	Nil	Nil	Nil
Mr. Rajaram Ajgaonkar	Nil	Nil	Nil
Mr. Satish Godbole	Nil	Nil	Nil
Mr. Anil Bakshi	Nil	Nil	Nil
Mr. Mukesh Lulla	Nil	Nil	Nil
Ms. Madhu Gadodia (w.e.f. 27.08.2016)	Nil	Nil	Nil
Ms. Sue-Fung Wang (upto 05.08.2016)	Nil	Nil	Nil

Report on Corporate Governance

- ¹ Excludes directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies.
- ² For the purpose of reckoning the limit, the Chairmanship / Membership of the Audit Committee and the Stakeholders' Relationship Committee has been considered.

2.4 Number of Board Meetings held and the dates of the Board Meetings

The gap between two Board Meetings held during the financial year did not exceed one hundred and twenty days. Five Board Meetings were held during the Financial Year 2016-17 on the following dates:

May 30, 2016	November 11, 2016
August 5, 2016	January 21, 2017
August 26, 2016	

During the year, one meeting of the Independent Directors was held on March 10, 2017. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

2.5 Disclosure of relationships between directors inter-se

None of the Directors are inter-se related to each other and there is no pecuniary or business relationship between the Non-Executive/Independent Directors and the Company, except for the payment of sitting fees for attending Board and Committee Meetings in accordance with the applicable laws.

2.6 Number of shares held by Non-Executive Directors:

Name of the Non-Executive Director	Number of Shares held
Mr. Mukesh Lulla	2,618,773
Mr. Satish Godbole	50

2.7 Details of Familiarisation programme for Independent Directors:

Pursuant to Regulation 25 (7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has prepared the Familiarization Programme for Independent Directors for understanding the Company's business and contribute to the achievement of Company's goals and objectives. All Independent Directors are familiarized with the company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates etc. from time to time. The Company makes consistent efforts to acquaint the Board with the overall business performance by way of presenting specific performance measurement in each of segment of the Company's products from time to time. The entire Board including Independent Directors has access to all the product heads and other commercial/technical staff and documents, wherever required for making an informed decision.

The detailed agenda of the meeting of the Board or committees thereof are sent well in advance to all the Directors in order to have in depth knowledge about the matter to be discussed and participate in the meeting with detailed knowledge, thereby fulfilling their duty and responsibility effectively.

The details of familiarisation programme has been displayed on website at <http://www.dlink.co.in/pdf/Independent%20Directors%20Familiarisation%20Program.pdf>

3. Audit Committee

3.1 Composition

The Board has constituted audit committee with majority of them are independent directors including chairman and all the members of the committee are non-executive directors. The composition of the Audit Committee is as under:

Name of the Director/Member	Category
Mr. Rajaram Ajgaonkar	Chairman (Independent Director)
Mr. Satish Godbole	Member (Independent Director)
Mr. Anil Bakshi	Member (Independent Director)
Mr. Douglas Hsiao	Member (Non-Independent Director)

The Committee's composition meets with requirements of Section 177(2) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Shrinivas Adikesar- Company Secretary of the Company acts as the Secretary to the Audit Committee. All the Directors in the Committee are financially literate and have expertise in finance.

3.2 Meetings and Attendance during the year

During the financial year under review, the Company held four Audit Committee meetings on May 30, 2016, August 5, 2016, November 11, 2016 and January 21, 2017 and the gap between two meetings did not exceed four months. The attendance of each member at these Committee Meetings is given below;

Name of the Director	Meetings held	Meetings attended
Mr. Rajaram Ajgaonkar	4	4
Mr. Satish Godbole	4	4
Mr. Anil Bakshi	4	4
Mr. Douglas Hsiao	4	0

The necessary quorum was present at each of above Audit Committee meetings. The Chairman of the Audit Committee Mr. Rajaram Ajgaonkar was present at the Annual General Meeting of the Company held on August 26, 2016.

Report on Corporate Governance

3.3 Brief description of terms of reference:

a) Terms of Reference

The terms of reference stipulated by the Board to the Audit Committee and as contained under Section 177 of the Companies Act, 2013 are as follows:

- 1) the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- 2) review and monitor the auditor's independence and performance, and effectiveness of audit process;
- 3) examination of the financial statement and the auditors' report thereon;
- 4) approval or any subsequent modification of transactions of the company with related parties;
- 5) scrutiny of inter-corporate loans and investments;
- 6) valuation of undertakings or assets of the company, wherever it is necessary;
- 7) evaluation of internal financial controls and risk management systems;
- 8) monitoring the end use of funds raised through public offers and related matters.

b) Role of Audit Committee

- 1) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- 2) Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- 3) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- 4) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b) Changes, if any, in accounting policies and practices and reasons for the same;
 - c) Major accounting entries involving estimates based on the exercise of judgment by management;
 - d) Significant adjustments made in the financial statements arising out of audit findings;
 - e) Compliance with listing and other legal requirements relating to financial statements;
 - f) Disclosure of any related party transactions;
 - g) Modified opinion(s) in the draft audit report
- 5) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

- 6) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- 7) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- 8) Approval or any subsequent modification of transactions of the Company with related parties;
- 9) Scrutiny of inter-corporate loans and investments;
- 10) Valuation of undertakings or assets of the Company, wherever it is necessary;
- 11) Evaluation of internal financial controls and risk management systems;
- 12) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- 13) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- 14) Discussion with internal auditors of any significant findings and follow up there on;
- 15) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- 16) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- 17) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- 18) To review the functioning of the Whistle Blower mechanism;
- 19) Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- 20) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

4. Nomination and Remuneration Committee

4.1 Composition of Nomination and Remuneration Committee

The Nomination & Remuneration Committee of the Board of Directors meets the criteria laid down under Section 178 of the Companies Act, 2013, read with of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Report on Corporate Governance

The Composition of the Nomination and Remuneration Committee is as under:

Name of the Director/Member	Category
Mr. Satish Godbole	Chairman (Independent Director)
Mr. Rajaram Ajgaonkar	Member (Independent Director)
Mr. Anil Bakshi	Member (Independent Director)
Mr. Douglas Hsiao	Member (Non-Independent Director)

4.2 Brief Description of Terms of Reference

Following are terms of reference of the Nomination and Remuneration Committee as contained under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- 1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- 2) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- 3) Devising a policy on diversity of Board of Directors;
- 4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal.
- 5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

4.3 Meetings held and Attendance during the year

During the year under review, the Company held three Nomination and Remuneration Committee meetings on May 30, 2016, August 5, 2016 and November 11, 2016. The attendance of each member at these Committee Meetings is given below;

Name of the Director	Meetings held	Meetings attended
Mr. Satish Godbole	3	3
Mr. Rajaram Ajgaonkar	3	3
Mr. Anil Bakshi	3	3
Mr. Douglas Hsiao	3	0

4.4 Performance Evaluation criteria for Independent Directors

Pursuant to Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors carried out the performance evaluation of the Individual Directors, based on questionnaire prepared in conformity with the Board Evaluation Policy formulated by Nomination and Remuneration Committee and adopted by the Board. The Board of Directors held separate discussions excluding the Independent Director being evaluated.

Based on the feedback received from all the Directors, the Board was of the opinion that the individual performance of the Independent Directors was effective for the financial year 2016-17 and the Company would like to continue the existing term of appointment of each Independent Director.

4.5 Remuneration Policy

In accordance with Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors at their meeting held on August 23, 2014 formulated the Nomination and Remuneration Policy of the Company on the recommendations of the Nomination and Remuneration Committee. The salient aspects covered in the Nomination and Remuneration Policy, covering the policy on appointment and remuneration of Directors and other matters has been disclosed in the Directors report.

5. Remuneration Paid to the Directors

5.1 Details of other pecuniary relationship/transactions of Non-Executive Directors vis-à-vis the Company

The Company has paid dividend to the following non-executive directors;

Name of the Non-Executive Director	Amount of Dividend Paid during the year 2016-2017 (Amt in Rs.)
Mr. Mukesh Lulla	1,833,141/-
Mr. Satish Godbole	35/-

5.2 Criteria of making payments to Non-Executive Directors (as decided by Board of Directors)

The Non-Executive Directors are entitled to sitting fees for attending the Board/Committee Meetings. Apart from sitting fees, no payment by way of bonus, commission, pension, incentives etc., is paid to any of the Non-Executive Directors. The Company has no stock option plans and hence, such instruments do not form part of remuneration payable to non-executive directors.

The Non-Executive Directors are paid sitting fees at the rate of Rs. 50,000/- for attending each meeting of the Board, Rs. 50,000/- for attending each meeting of the Audit Committee, Rs. 25,000/- for each of the meetings of Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee and other board committees.

Details of sitting fees paid/payable to the Non-Executive Directors for the year under review are as under;

Directors	Sitting Fees
Mr. Douglas Hsiao	Rs.50,000/-
Mr. Rajaram Ajgaonkar	Rs.625,000/-
Mr. Satish Godbole	Rs.625,000/-
Mr. Anil Bakshi	Rs.625,000/-
Mr. Mukesh Lulla	Rs.250,000/-
Ms. Madhu Gadodia	Rs.150,000/-

5.3 Disclosures with respect to remuneration:

• Executive Directors:

Executive Directors	Remuneration
Mr. Gary Yang	Rs. 4,930,465 /-
Mr. Tushar Sighat	Rs. 27,021,114 /-

Note:- Remuneration to executive directors includes basic salary, performance bonus, allowances etc.

Report on Corporate Governance

Salient features of terms of appointment of Executive Directors

Particulars		
Name of the Directors	Mr. Gary Yang	Mr. Tushar Sighat
Basic Salary	In the scale of Rs.50,000/-to Rs.200,000/- per month as the Board may decide from time to time.	Rs.300,000/- per month with such annual increment in salary as may be decided by the Board or any Committee thereof, in its absolute discretion from time to time subject to a ceiling of Rs.600,000/- per month.
Special/ Allowances	In the scale of Rs.75,000/-to Rs.300,000/- per month as the Board may decide from time to time.	Rs.600,000/- per month with such annual increment as may be decided by the Board or any Committee thereof, in its absolute discretion from time to time, subject to a ceiling of Rs.1,200,000/- per month.
Performance linked variable pay and/or any other compensation	Not exceeding Rs.1 Crore per annum as may be decided by the Board from time to time and the same may be made on a pro-rata basis every month or on an annual basis at the discretion of the Board.	Performance linked variable pay and / or any other compensation as may be decided by the Board or any Committee thereof, in its absolute discretion from time to time and the same may be made on a pro-rata basis every month or on an annual basis subject to maximum of Rs.20,000,000/-per annum.
House Rent Allowances	House Rent Allowance equivalent to 40% of the Basic Salary.	House Rent Allowance equivalent to 40% of the Basic Salary.
Perquisites	<ul style="list-style-type: none"> a) Use of telephone and Company's car for official use. b) Reimbursement of all Medical expenses upto maximum of Rs.50,000/- pa. c) Provident Fund and Gratuity as per the applicable laws and rules. d) Earned Leave as per the rules of the Company. e) For the purpose of calculating the above, perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost. f) the remuneration as set out above be paid to the Managing Director as minimum remuneration in the event of absence or inadequacy of profits in any financial year during the continuance of the tenure of the Managing Director, with the approval of the Central Government, if applicable. g) The terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors of the Company as it may, at its discretion deem fit. 	<ul style="list-style-type: none"> a) Use of Company's telephone and car for official duties. b) Reimbursement of all Medical expenses upto maximum of Rs.25 lakhs p.a. c) Provident Fund and Gratuity as per the applicable laws and rules. d) Earned Leave encashment as per the rules of the Company. e) For the purpose of calculating the above perquisites, valuation shall be done as per Income Tax Act and Rules made thereunder, wherever applicable and in the absence of any such rule, perquisites shall be evaluated at actual cost. f) in the event of absence or inadequacy of profits in any financial year, the remuneration as set out above shall be paid to the Executive Director & CEO as minimum remuneration during the continuance of the tenure of the Executive Director & CEO, subject to approval from the Central Government as required under Section 197 of the Companies Act, 2013. g) the terms and conditions of the said appointment may be altered and varied from time to time by the Board of Directors of the Company as it may, at its discretion deem fit.
Terms of appointment	Appointed as Managing Director for a period of five years effective from March 1, 2014.	Appointed as Executive Director & CEO for a period of five years with effect from October 1, 2014.
Notice Period	Three months notice in advance by either party.	Three months notice in advance by either party.
Severance fees	Three months salary in lieu of notice.	Three months salary in lieu of notice.

Report on Corporate Governance

6. Stakeholders' Relationship Committee

6.1 Composition

The Stakeholders' Relationship Committee has been constituted to deal with the redressal of investor complaints relating to transfer of shares, non-receipt of Annual Report and Non Receipt of Dividend etc. The Stakeholders Relationship Committee of the Board of Directors meets the criteria laid down under Section 178 of the Companies Act, 2013, read with Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Composition of the Stakeholders Relationship Committee is as under:

Name of the Director/Member	Category
Mr. Satish Godbole	Chairman (Independent Director)
Mr. Gary Yang	Member (Executive Director)
Mr. Rajaram Ajgaonkar	Member (Independent Director)
Mr. Anil Bakshi	Member (Independent Director)

Name and Designation of Compliance Officer - Mr. Shrinivas Adikesar, Company Secretary.

6.2 Terms of Reference of the Stakeholders' Relationship Committee are as follows

- 1) Oversee and review all matters connected with the transfer of the Company's securities.
- 2) Monitor redressal of investors' / shareholders' / security holders' grievances.
- 3) Oversee the performance of the Company's Registrar and Transfer Agents.
- 4) Recommend methods to upgrade the standard of services to investors.
- 5) Carry out any other function as is referred by the board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

6.3 Meetings and Attendance during the year:

During the year under review, no meeting of the Stakeholders' Relationship Committee was held.

During the year, the Company had received 41 complaints from the shareholders and the same were attended and resolved to the satisfaction of the shareholders. As on March 31, 2017, no investor grievance has remained unattended.

The Chairman of the Committee Mr. Satish Godbole was present at the previous Annual General Meeting held on August 26, 2016.

7. Corporate Social Responsibility Committee ('CSR Committee')

7.1 Composition of CSR Committee

Pursuant to Section 135 of the Companies Act 2013 the Board has constituted a Corporate Social Responsibility Committee ('CSR Committee') consisting of the following directors namely;

Name of the Director/Member	Category
Mr. Anil Bakshi	Chairman (Independent Director)
Mr. Gary Yang	Member (Executive Director)
Mr. Rajaram Ajgaonkar	Member (Independent Director)
Mr. Satish Godbole	Member (Independent Director)
Mr. Tushar Sighat	Member (Executive Director)

CSR Committee is primarily responsible for formulating and monitoring the implementation of the framework of Corporate Social Responsibility policy and to look into overall Corporate Social Responsibility governance.

7.2 Meetings held and Attendance during the year

During the year under review, the Company held two CSR Committee meetings on August 5, 2016 and March 10, 2017. The attendance of each member at these Committee Meetings is given below;

Name of the Director	Meetings held	Meetings attended
Mr. Anil Bakshi	2	2
Mr. Gary Yang	2	1
Mr. Rajaram Ajgaonkar	2	2
Mr. Satish Godbole	2	2
Mr. Tushar Sighat	2	2

8. General Body Meetings

8.1 Location and time, where last three AGMs were held

Location	Date	Time
Kesarval Gardens, Verna, Salcette, Goa - 403722	August 26, 2016	05.00 p.m.
Kesarval Gardens, Verna, Salcette, Goa - 403722	August 29, 2015	11.00 a.m.
Kesarval Gardens, Verna, Salcette, Goa - 403722	August 23, 2014	11.00 a.m.

Report on Corporate Governance

8.2 Special Resolutions passed in the Annual General Meetings/Extra Ordinary General Meetings held during last three financial years

Financial Year	Date of AGM/EGM	Particulars of Special Resolution
2015-16	August 26, 2016	Nil
2014-15	August 29, 2015	<ol style="list-style-type: none"> 1) Adoption of new set of Articles of Association of the Company pursuant to provisions of the Companies Act, 2013; 2) Variation in the terms of payment of remuneration to Mr Gary Yang - Managing Director; 3) Approval of Material Related Party Transactions of the Company.
2013-14	August 23, 2014	Nil
2013-14	January 20, 2014	<ol style="list-style-type: none"> 1) Increase in Authorised Share Capital of the Company from Rs.700 lakhs divided into 35,000,000 Equity shares of Rs.2/- each to Rs.1400 lakhs divided into 70,000,000 Equity shares of Rs.2/- each; 2) Issue of 5,500,000 Equity shares of the Company to the shareholders and promoters of TeamF1 Networks Private Limited (TeamF1) on preferential allotment basis for consideration other than cash (share swap of 10,499 shares held in TeamF1) towards acquisition of TeamF1 by the Company; 3) Raising of funds by way of issue of Equity shares for cash not exceeding Rs. 6,000 lakhs on Rights basis.

8.3 Details of Special resolutions passed through Postal Ballot during the last year

During the year under review, the Company did not conduct postal ballot process for passing any resolution, whether ordinary or special.

None of the resolutions proposed for the ensuing Annual General Meeting is required to be passed by Postal Ballot.

9. Means of communication

Particulars	
- Quarterly Results	- Published in Newspapers
- Newspapers wherein results normally published	- In English : The Financial Express, The Navhind Times-In Marathi: Pudhari
- Any website, where displayed	www.dlink.co.in
- Whether it also displays Official News releases	None
- The presentations made to Institutional Investors or to the Analysts	None

10. General Shareholder Information

10.1 Annual General Meeting

Date : Friday, September 1, 2017

Time : 11.00 a.m.

Venue : Kesarval Gardens, Cortalim, Verna, Salcette, Goa - 403722.

10.2 Financial Year 2017-18

For the year ending March 31, 2018, the results will be announced as per the tentative schedules below:

Particulars	Date
First Quarter Results	On or before August 14, 2017
Second Quarter Results	On or before November 14, 2017
Third Quarter Results	On or before February 14, 2018
Audited Annual Results	On or before May 30, 2018

10.3 Dates of Book Closure

The Register of Members and the Share Transfer Register will remain closed days from July 29, 2017 to August 4, 2017 (both days inclusive).

10.4 Dividend Payment Date

The Dividend will be paid to all shareholders on or after September 4, 2017.

10.5 Listing on Stock Exchanges

The shares of the Company have been listed on The BSE Limited and The National Stock Exchange of India Limited. The annual listing fees were paid to the Stock Exchanges.

10.6 Stock Code

The Stock Exchange	Stock Code
BSE Limited	533146
National Stock Exchange of India Limited	DLINKINDIA

ISIN Code for the Company's equity share

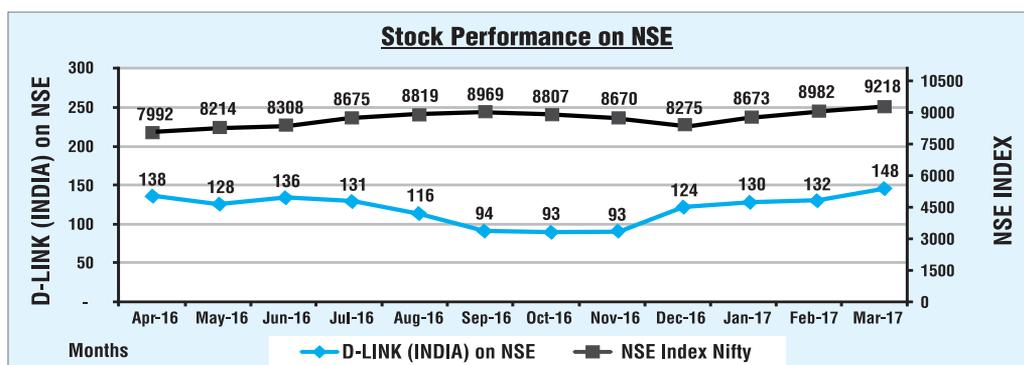
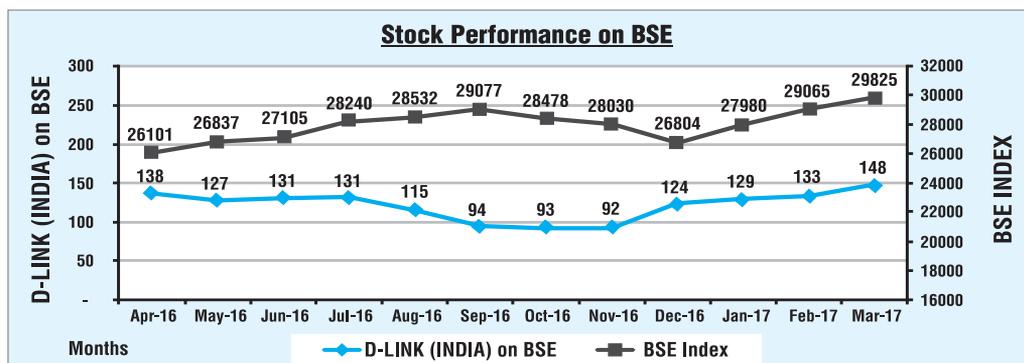
Depositories	ISIN
CDSL and NSDL	INE250K01012

Corporate Identity Number (CIN): L72900GA2008PLC005775

10.7 Market Price Data

Stock High/Low price and Performance in comparison to broad-based indices viz., BSE Sensex and NSE Nifty is as under:

Month	D-LINK (INDIA) on BSE		BSE Sensex		D-LINK (INDIA) on NSE		NSE Index Nifty 50	
	High (Rs.)	Low (Rs.)	High	Low	High (Rs.)	Low (Rs.)	High	Low
Apr-16	138	116	26101	24523	138	116	7992	7517
May-16	127	110	26837	25058	128	110	8214	7678
Jun-16	131	110	27105	25911	136	111	8308	7927
Jul-16	131	113	28240	27034	131	112	8675	8288
Aug-16	115	82	28532	27628	116	84	8819	8518
Sep-16	94	75	29077	27717	94	74	8969	8555
Oct-16	93	85	28478	27488	93	85	8807	8506
Nov-16	92	77	28030	25718	93	72	8670	7916
Dec-16	124	84	26804	25754	124	82	8275	7894
Jan-17	129	112	27980	26447	130	112	8673	8134
Feb-17	133	112	29065	27590	132	99	8982	8538
Mar-17	148	124	29825	28716	148	124	9218	8860



Report on Corporate Governance

10.8 In case the securities are suspended from trading, the directors report shall explain the reason thereof

The equity shares of the Company are actively traded on the BSE Limited and the National Stock Exchange of India Limited.

10.9 Registrar and Share Transfer Agent

Karvy Computershare Private Limited
 Unit : D-Link (India) Limited
 Karvy Selenium Tower B, Plot 31-32,
 Gachibowli Financial District, Nanakramguda,
 Serilingampally, Hyderabad - 500 032
 Toll Free No.: 1800-3454-001
 Board No: 040 67162222
 Fax No. 040-23001153

10.10 Share Transfer System

Trading in equity shares of the Company is permitted only in dematerialized form.

Shares sent for transfer in physical form if any are returned within a period of 15 days of receipt of the documents, provided all documents are valid and complete in all respects.

10.11 Distribution of Shareholding

Distribution of Shareholding as on March 31, 2017

Sr. No.	Category (Shares)	No. of Holders	% to Holders	No. of Shares	% to Shares
1	1 - 500	23,828	88.65	3,005,111	8.46
2	501 - 1000	1,584	5.90	1,317,007	3.71
3	1001 - 2000	720	2.68	1,121,024	3.16
4	2001 - 3000	253	0.94	658,716	1.86
5	3001 - 4000	113	0.42	405,155	1.14
6	4001 - 5000	92	0.34	437,249	1.23
7	5001 - 10000	145	0.54	1,068,547	3.01
8	10001 and above	143	0.53	27,492,041	77.43
	TOTAL:	26,878	100.00	35,504,850	100.00

Sl. No.	Description	Cases	Shares	% Equity
1	Promoters	1	18,114,663	51.02
2	Resident Individuals	25,159	9,527,633	26.84
3	Directors	4	2,635,250	7.42
4	Bodies Corporates	479	2,111,868	5.95
5	Mutual Funds	1	1,281,420	3.61
6	Foreign Portfolio Investors	2	839,950	2.37
7	H U F	601	413,276	1.16
8	Non Resident Indians	475	331,823	0.93
9	Clearing Members	104	106,567	0.30
10	Employees	42	85,506	0.24
11	Indian Financial Institutions	1	36,462	0.10
12	Banks	3	16,977	0.05
13	Trusts	4	3,200	0.01
14	NBFC	2	255	0.00
	Total:	26,878	35,504,850	100.00

10.12 Dematerialization of Shares and Liquidity

The total number of shares held in dematerialized form as on March 31, 2017 is 35,478,034 equity shares representing 99.92% of the total number of shares of the Company.

10.13 Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity: NA

10.14 Commodity price risk or foreign exchange risk and hedging activities:

Please refer Management Discussion Analysis Report for the same.

10.15 Plant Locations: NOT APPLICABLE

10.16 Address for Correspondence

Shareholders Correspondence should be addressed to:

<p>The Company Secretary D-Link (India) Limited Plot No. U02B, Verna Industrial Estate, Verna, Goa – 403722. Phone Nos: 0832-2885800/811 Fax Nos : 0832-2885823 E-mail: shares@dlink.co.in</p>	<p>Registrars & Share Transfer Agents Karvy Computershare Private Limited Unit: D-Link (India) Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Serilingampally, Hyderabad - 500 032 Toll Free No.: 1800-3454-001 Board No: 040 67162222 Fax No. 040-23001153 Email: einward.ris@karvy.com</p>
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11. Other Disclosures

11.1 Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large

The transactions entered into with related parties during the financial year were in the ordinary course of business and on arm's length price basis. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in note No 35 annexed to the standalone financial statements. There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Company's interest.

11.2 Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years

- None

11.3 Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel has been denied access to the audit committee

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with the rules made thereunder and SEBI Listing Regulations 2015, the Company has implemented Vigil Mechanism/ Whistle Blower Policy for disclosing of any unethical and improper practices or wrongful conduct by employees or directors of the Company. The Policy was approved by the Board of Directors at their meeting held on May 19, 2014 (amended on May 30, 2016), which is effective from April 1, 2014 and forms an integral part of its functioning. The policy also provides the access of Audit Committee constituted by the Board. The Policy prohibits the Company to take any adverse action against its employees or directors for disclosing in good faith any unethical & improper practices or alleged wrongful conduct to the Audit Committee. Any employee or director against whom any adverse action has been taken due to his disclosure of information under this policy may approach the Audit Committee.

Any employee or director who observes or notices any unethical & improper practice or alleged wrongful conduct in the Company shall report the same via e-mail at the following email addresses; legal@in.dlink.com and shares@dlink.co.in.

The Company affirms that it has not denied any personnel from an access to the Audit Committee.

Report on Corporate Governance

11.4 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all mandatory requirements as stated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

11.5 The policy determining 'material' subsidiaries of the Company is disclosed at <http://www.dlink.co.in/pdf/Material%20Subsidiary%20Policy.pdf>

11.6 The policy on dealing with related party transactions is disclosed at; <http://www.dlink.co.in/pdf/RELATED%20PARTY%20POLICY.pdf>

11.7 Disclosure of commodity price risks and commodity hedging activities.

The Company has managed the Foreign Exchange risk with appropriate hedging activities in accordance with the policies of the Company. The Company used Forward Exchange Contracts to hedge against its Foreign Currency exposures relating to firm commitments. Details of foreign currency exposure and hedging are disclosed in note No. 30 to the standalone financial statements.

11.8 The Company is in compliance with the requirements stipulated under regulation 17 to 27 read with schedule v and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI Listing Regulations, as applicable, with regard to corporate governance.

12. Compliance With Non Mandatory Requirements

a) The Board of Directors

The Company has Non-Executive Chairman. No separate office is maintained for Non- Executive Chairman and the expenses incurred by him during performance of duties are reimbursed to him.

b) Shareholder's Rights

The Company does not send half yearly declaration of financial performance to its shareholders. The financial results are displayed on the Company's website.

c) Modified opinion in Audit Reports:

During the year under review, there were no audit qualifications on the Company's financial statements.

d) Separate posts of Chairman and CEO

The Company has appointed different persons for the post of Chairman and CEO of the Company. Further, their individual roles, responsibilities etc. have been decided and communicated to them by the Board of Directors.

e) Reporting of Internal Auditor

The Company had appointed M/s CNK & Associates LLP, Chartered Accountants as the Internal Auditor of the Company for reviewing the internal control system operating in the Company. The Internal auditors shall report directly to the Audit Committee.

For and on Behalf of the Board of Directors

Mumbai
Dated: 12th May, 2017

Gary Yang
Managing Director

Independent Auditors' Certificate on Corporate Governance

TO THE MEMBERS OF D-LINK (INDIA) LIMITED

1. This certificate is issued in accordance with the terms of our engagement letter dated 26 September, 2016.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of **D-LINK (INDIA) LIMITED** ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31 March, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. 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

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31 March, 2017.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rakesh Sharma
Partner
(Membership No. 102042)

Place: Mumbai
Date : 27th June, 2017

Declaration regarding compliance by Board Members and Senior Management personnel with the Company's Code of Conduct

I confirm that the Company has in respect of the financial year ended 31st March, 2017, received from all the members of the Senior Management of the Company and of the Board, a declaration of compliance with the code of conduct as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **D-Link (India) Limited**

Tushar Sighat
Executive Director & CEO

Mumbai, dated: 12th May, 2017

Independent Auditors' Report

TO THE MEMBERS OF D-LINK (INDIA) LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **D-LINK (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. 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, and the Cash Flow Statement 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 prescribed under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
 - 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 by the Company.
 - iv. The Company has provided requisite disclosures in the standalone financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November 2016 to 30th December 2016. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the books of account maintained by the Company and as produced to us by the Management.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Rakesh Sharma
Partner
(Membership no: 102042)

Place: Mumbai
Date : 12th May, 2017

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of **D-LINK (INDIA) LIMITED** ("the Company") as of 31st March, 2017, in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

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 over financial reporting 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. 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 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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting 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 Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, 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 adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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.

Place : Mumbai
Date : 12th May, 2017

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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting 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 over financial reporting 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting 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.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Rakesh Sharma
Partner
(Membership No. 102042)

Annexure “B” to the Independent Auditors’ Report

(Referred to in paragraph 2 under “Report on Other Legal and Regulatory Requirements” Section of our report of even date)

- (i) In respect of its fixed assets:
- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - The fixed assets were physically verified by the Management during the year in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - The Company does not have any immovable properties of freehold or leasehold land. According to the information and explanations given to us and the records examined by us and based on the examination of the registered agreement for sale provided to us, we report that the title deed of the office premises is held in the name of the Company as at the balance sheet date.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) During the year, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act in respect of making investments. The Company has not granted any loans or provided guarantees or security in connection with any loan and therefore the relevant provisions of section 185 and 186 of the Act are not applicable.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the year in terms of the provisions of sections 73 to 76 or any other relevant provisions of the Act.
- (vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Act.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
- The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and other material statutory dues in arrears as at 31st March, 2017 for a period of more than six months from the date they became payable.
 - Details of dues of Value Added Taxes and Central Sales Taxes which have not been deposited as on 31st March, 2017 on account of disputes are given below:

Name of the Statute	Nature of Dues	Forum where Dispute is pending	Financial Year to which amount relates	Amount unpaid (Rs.)
Goa Value Added Tax Act, 2005	V.A.T Penalty Interest	Commercial Tax Officer	2009-10	2,469,395
				100,000
Central Sales Tax Act, 1956	C.S.T.	Commercial Tax Officer	2009-10	6,830,944
Goa Value Added Tax Act, 2005	V.A.T Interest	Commercial Tax Officer	2012-13	740,593
				409,533
Central Sales Tax Act, 1956	C.S.T. Interest	Commercial Tax Officer	2012-13	698,180
				291,315

- In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans to banks. The Company has not taken any loans or borrowings from financial institutions and government and has not issued any debentures.
- During the year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of the Order is not applicable.
- To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- In our opinion and according to the information and explanations given to us, the Company has paid managerial remuneration in excess of the limits and approvals mandated under section 197 read with Schedule V of the Companies Act, 2013 to the following managerial personal.

Managerial Position	Excess amount of remuneration paid/ provided (Rs.)	Financial year ending	Treatment of the excess remuneration in the financial statements	Steps taken by the Company for securing refund
Chief Executive Officer and Director	Rs. 1,525,554	31 st March 2017	Remuneration reversed and shown as recoverable from the director.	The company has initiated refund of the excess remuneration paid to him and obtained a confirmation for the amount recoverable from him.

- The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of the Order is not applicable to the Company.
- In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.
- The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Rakesh Sharma

Place : Mumbai
Date : 12th May, 2017

Partner
(Membership no: 102042)

Balance Sheet

Sl. No.	Particulars	Note No.		As at 31st March, 2017	As at 31st March, 2016
			Rupees	Rupees	Rupees
I. EQUITY AND LIABILITIES					
(1) Shareholders' funds					
	(a) Share capital	3	71,009,700		71,009,700
	(b) Reserves and surplus	4	1,617,355,535		1,458,803,708
				1,688,365,235	1,529,813,408
(2) Non-current liabilities					
	(a) Other long-term liabilities	6	1,034,812		530,282
	(b) Long-term provisions	7	2,231,259		10,611,028
				3,266,071	11,141,310
(3) Current Liabilities					
	(a) Short-term borrowings	8	114,764,266		-
	(b) Trade payables				
	i) Total outstanding dues of Micro enterprises and small enterprises	9	64,210,008		61,184,406
	ii) Total outstanding dues of Creditors other than Micro enterprises and small enterprises		755,083,726		1,573,913,257
	(c) Other current liabilities	10	34,064,186		48,040,777
	(d) Short-term provisions	11	12,136,655		45,992,096
				980,258,841	1,729,130,536
	Total			2,671,890,147	3,270,085,254
II. ASSETS					
(1) Non-current assets					
	(a) Property, plant and equipment				
	(i) Tangible assets	12A	176,082,626		182,373,001
	(ii) Intangible assets	12B	865,382		1,176,082
				176,948,008	183,549,083
	(b) Non-current Investments	13		165,000,000	165,000,000
	(c) Deferred tax assets (net)	5		39,593,367	34,716,100
	(d) Long-term loans and advances	14		19,069,032	18,534,727
(2) Current assets					
	(a) Current investments	15	-		50,000,000
	(b) Inventories	16	693,857,752		997,005,743
	(c) Trade receivables	17	1,528,368,377		1,709,230,310
	(d) Cash and cash equivalents	18	6,296,360		68,161,550
	(e) Short-term loans and advances	19	42,327,188		39,854,908
	(f) Other current assets	20	430,063		4,032,833
				2,271,279,740	2,868,285,344
	Total			2,671,890,147	3,270,085,254

See accompanying notes forming part of the financial statements.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Mumbai, dated: 12th May, 2017

For and on behalf of the Board of Directors

Gary Yang
Managing Director

C. M. Gaonkar
Chief Financial Officer

Mumbai, dated: 12th May, 2017

Tushar Sighat
Executive Director & CEO

Shrinivas Adikesar
Company Secretary

Statement of Profit and Loss

Sl. No.	Particulars	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
			<u>Rupees</u>	<u>Rupees</u>
1	Revenue from operations	21	6,978,615,823	7,008,427,162
	Less: Excise Duty		12,199,396	983,230
	Revenue from operations (net)		6,966,416,427	7,007,443,932
2	Other income	22	21,465,267	13,890,956
3	Total Revenue (1+2)		6,987,881,694	7,021,334,888
4	Expenses			
	Cost of raw material consumed	23	109,337,926	7,595,976
	Purchases of traded goods		5,555,066,465	6,076,327,006
	Changes in inventories of traded goods	24	287,032,086	(179,472,271)
	Employee benefits expense	25	293,049,401	310,802,750
	Finance cost	26	5,113,840	3,620,843
	Depreciation and amortisation expenses	12	11,700,118	14,683,925
	Other expenses	27	483,598,911	455,870,770
	Total Expenses		6,744,898,747	6,689,428,999
5	Profit before tax (3-4)		242,982,947	331,905,889
6	Tax expenses			
	- Current tax		90,631,077	133,886,702
	- Deferred tax		(4,877,267)	(18,801,800)
	- (Excess) / Short provision for tax in respect of earlier years.		(1,322,690)	1,831,953
			84,431,120	116,916,855
7	Profit for the year (5-6)		158,551,827	214,989,034
	Earnings per share (Face value of Rs. 2/- per share)			
	Basic		4.47	6.06
	Diluted		4.47	6.06
	(Refer Note 37)			
	See accompanying notes forming part of the financial statements.			

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Mumbai, dated: 12th May, 2017

For and on behalf of the Board of Directors

Gary Yang
Managing Director

C. M. Gaonkar
Chief Financial Officer

Mumbai, dated: 12th May, 2017

Tushar Sighat
Executive Director & CEO

Shrinivas Adikesar
Company Secretary

Cash Flow Statement

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Rupees	Rupees
A. Cash flows from operating activities		
Profit before tax	242,982,947	331,905,889
Adjustments for:		
Depreciation / Amortisation	11,700,118	14,683,925
Profit on sale of assets	(24,742)	(37,331)
Profit on sale of current investments (non-trade)	(3,334,832)	(6,533,343)
Bad debts/Advances written off	3,158,876	1,329,541
Unrealised exchange differences	(7,597,140)	(21,423,435)
Sundry balances written back	(5,810,141)	(104,090)
Provision for doubtful debts written back	-	(5,584,041)
Provision for doubtful debts	41,637,616	-
Interest and finance charges	5,113,840	3,620,843
Interest on delayed payments by customers	(2,674,518)	(1,571,481)
Interest on others	-	(60,102)
Operating profit before working capital changes	285,152,024	316,226,375
Decrease / (Increase) in Trade receivables	134,203,738	(298,341,080)
Decrease / (Increase) in inventories	303,147,991	(215,787,283)
Increase in loans and advances	(3,045,760)	(29,336,566)
Decrease / (Increase) in Other current assets	3,602,770	(3,992,455)
(Decrease) / Increase in trade payables	(806,345,085)	512,939,673
(Decrease) / Increase in other current liabilities	(6,627,804)	20,937,862
Increase in long term liabilities	504,530	77,641
Increase / (Decrease) in short term provisions	243,118	(4,156,894)
(Decrease) / Increase in long term provisions	(8,379,769)	5,572,185
Cash (used in) / generated from Operations	(97,544,247)	304,139,458
Direct taxes paid	(93,454,810)	(137,170,421)
Net cash (used in) / generated from operating activities	(190,999,057)	166,969,037
B. Cash flows from investing activities		
Purchase of assets	(5,124,071)	(4,308,346)
Purchase of current investments	(1,620,100,000)	(2,265,999,995)
Sale of current investments	1,673,434,832	2,222,533,338
Sale of assets	49,770	1,091,404
Interest received	2,674,518	1,631,583
Net cash generated from / (used in) investing activities	50,935,049	(45,052,016)
C. Cash flows from financing activities		
Short-term borrowings (cash credit account) (net)	114,764,266	(22,742,889)
Dividend paid (including Corporate Dividend tax)	(29,914,374)	(29,914,160)
Interest paid	(6,642,365)	(2,919,995)
Net cash generated from / (used in) financing activities	78,207,527	(55,577,044)
Net (Decrease) / Increase in cash and cash equivalents	(61,856,481)	66,339,977
Cash and cash equivalents at the beginning of the year	67,290,069	950,092
Cash and cash equivalents at the end of the year	5,433,588	67,290,069
Note:		
Reconciliation of Cash and cash equivalents:		
Cash and cash equivalents (Refer note 18)	6,296,360	68,161,550
Less: Bank balances not considered as Cash and cash equivalents as defined in Accounting Standard (AS) 3 on 'Cash Flow Statements', as same are restricted.		
In earmarked accounts :		
Unpaid dividend accounts	862,772	871,481
Net cash and cash equivalents as defined in AS 3 on 'Cash Flow Statements'.	5,433,588	67,290,069

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Mumbai, dated: 12th May, 2017

For and on behalf of the Board of Directors

Gary Yang
Managing Director

C. M. Gaonkar
Chief Financial Officer

Mumbai, dated: 12th May, 2017

Tushar Sighat
Executive Director & CEO

Shrinivas Adikesar
Company Secretary

Notes forming part of the financial statements

Note: 1 Background of the Company

D-Link (India) Limited (the Company) is a subsidiary of D-Link Holding Mauritius Inc. and is a part of D-Link Corporation, Taiwan. The Company is primarily engaged in marketing and distribution of D-Link branded Networking products and manufacturing of set top boxes and allied products. The Company operates through a distribution network with a wide range of product portfolio and solutions with a nationwide reach across India.

Note: 2 Significant Accounting Policies

a. Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under section 133 the Companies Act, 2013 ("the Act") and the relevant provisions of the Act.

b. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known / materialise.

c. Property, plant and equipment

i) Tangible assets

Tangible assets are carried at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

ii) Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

d. Depreciation and amortisation

i) Tangible assets

Depreciation is provided on the straight-line method as per the estimated useful life as prescribed in Schedule II to the Companies Act, 2013. Assets costing less than Rs. 5,000 each are fully depreciated in the year of acquisition.

Depreciation on additions and deletions during the year are charged on pro- rata basis.

ii) Intangible assets

Computer software is amortised over a period of five years.

e. Impairment of assets

At the end of each accounting period, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on 'Impairment of Assets'. An impairment loss is charged to the Statement of Profit and Loss in the period in which an asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

f. Investments

Long-term (non-current) investments are carried at cost. Provision for diminution, if any, is made to recognize a decline, other than temporary, in the value of investments. Current investments are carried at lower of cost and fair value.

g. Inventories

Items of inventory are valued at lower of cost and net realisable value; on the following basis.

i) Raw material - on weighted average basis.

ii) Finished goods - on the basis of absorption costing comprising of direct costs and overheads.

iii) Traded goods - on weighted average basis.

h. Revenue recognition

Revenue from sale of products is recognised net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods.

Revenue from services is recognized when the services are rendered.

Revenue is recognized when no significant uncertainty as to determination / realization exists.

Interest income is accounted on accrual basis.

Dividend income is accounted for when the right to receive the same is established.

i. Employee Benefits

Compensation to employees for services rendered is accounted for in accordance with the AS-15 on "Employee Benefits".

Employee Benefits such as salaries, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense to the Statement of Profit and Loss in the period in which the service is rendered.

Employee Benefits under defined benefit plans and other long term employee benefits, such as gratuity and compensated absences which fall due for payment after a period of twelve months from rendering service or after completion of employment are measured by the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. The company's obligations recognized in the balance sheet represents the present value of obligations as reduced by the fair value of plan assets, where applicable.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

Notes forming part of the financial statements

j. Foreign currency transactions

Transactions in foreign currencies are recorded at the rates of exchange in force at the time the transactions are effected. In case of forward exchange contracts, other than for trading or speculation purposes, the premium or discount arising at the inception of the contract is amortised as expense or income over the life of contract.

Gains / losses on settlement of transactions are recognised as income or expense.

At the year-end, monetary items denominated in foreign currency and the relevant foreign exchange contracts are reported using the closing rate of exchange. Exchange difference arising thereon are accounted as income or expenses in the relevant year.

k. Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

l. Taxes on income

Income taxes are accounted for in accordance with Accounting Standard 22 on Accounting for Taxes on Income. Taxes comprise both current and deferred tax.

Current tax is measured at the amount expected to be paid to / recovered from the taxation authorities, using the applicable tax rates and tax laws. The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using the substantively enacted tax rates and tax regulations.

The carrying amount of deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realised.

Tax on distributed profits payable in accordance with the provisions of Section 115-O of the Income-Tax Act, 1961 is, in accordance with the Guidance Note on Accounting for Corporate Dividend Tax, regarded as a tax on distribution on profits and is not considered in determination of the profits of the Company.

m. Provisions and contingencies

Provision is recognised in the accounts when there is a present obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation. Contingent liabilities, if any, are disclosed in the notes to the financial statements.

Note 3: Share Capital

	As at 31st March, 2017		As at 31st March, 2016	
	Rupees		Rupees	
a. Authorised share capital				
70,000,000 Equity Shares of Rs. 2/- each		140,000,000		140,000,000
b. Issued, subscribed and paid up				
35,504,850 Equity Shares of Rs.2/- each, fully paid-up.		71,009,700		71,009,700
c. Rights, preferences and restrictions attached to each class of shares				
The Company has only one class of Equity shares having a par value of Rs. 2/- per share. Each holder of Equity shares is entitled to one vote per share and each Equity share carries an equal right to dividend and repayment of capital.				
d. Details of shares held by the Holding Company				
	As at 31st March, 2017		As at 31st March, 2016	
	Number	Rupees	Number	Rupees
D-Link Holding Mauritius Inc.	18,114,663	36,229,326	18,114,663	36,229,326
e. Reconciliation of the number of Shares and amount outstanding				
	As at 31st March, 2017		As at 31st March, 2016	
	Number	Rupees	Number	Rupees
Opening Balance	35,504,850	71,009,700	35,504,850	71,009,700
Shares issued during the year	-	-	-	-
Closing Balance	35,504,850	71,009,700	35,504,850	71,009,700

Notes forming part of the financial statements

f. Details of shareholders holding more than 5% of the Equity shares in the Company

Name of the Shareholders	As at 31st March, 2017		As at 31st March, 2016	
	Number	% holding	Number	% holding
D-Link Holding Mauritius Inc., holding company	18,114,663	51.02%	18,114,663	51.02%
Mukesh Tirthdas Lulla	2,618,773	7.38%	2,618,773	7.38%
Vinai Kolli	1,200,000	3.38%	2,254,375	6.35%
SBI Funds Management Pvt. Ltd	-	-	2,073,669	5.84%

g. Shares allotted as fully paid-up pursuant to contracts without payment being received in cash during the period of five years immediate preceding the date of the Balance Sheet are as under :

5,500,000 Equity shares fully paid up to the shareholders and promoters of TeamF1 Networks Private Limited (TeamF1) on preferential allotment basis on 29th May, 2014 pursuant to share swap agreement.

	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
Note 4: Reserves and surplus		
Securities Premium Account		
As per last Balance sheet	359,134,440	359,134,440
	<u>359,134,440</u>	<u>359,134,440</u>
General Reserve		
Opening balance	102,280,563	77,280,563
Add: Transferred from surplus in Statement of Profit and Loss	-	25,000,000
Closing Balance	<u>102,280,563</u>	<u>102,280,563</u>
Surplus in Statement of Profit and Loss		
Opening balance	997,388,705	837,312,632
Add : Profit for the year	158,551,827	214,989,034
Less : Proposed dividend (Previous year : Re. 0.70)	-	24,853,395
Tax on dividend	-	5,059,566
Transferred to General reserve	-	25,000,000
Sub Total	<u>-</u>	<u>54,912,961</u>
Closing balance	<u>1,155,940,532</u>	<u>997,388,705</u>
Total	<u>1,617,355,535</u>	<u>1,458,803,708</u>

In respect of the year ended 31st March 2017, The Board of Directors proposed that a dividend of Rs. 0.50/- (i.e.25 %) per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General meeting and has not been included as a liability in these financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is Rs. 17,752,925/-

Note 5: Deferred Tax Assets (net)

Deferred Tax Liability		
Depreciation	(17,158,432)	(15,198,084)
	<u>(17,158,432)</u>	<u>(15,198,084)</u>
Deferred Tax Asset		
Provision for doubtful debts / advances	20,008,180	5,598,234
Disallowances under section 43B of the income tax act	2,218,833	2,911,833
Provision for gratuity	-	3,912,775
Under section 40(a)(ia) of the income tax act	14,887,289	14,607,419
Provision for inventory obsolescence	19,637,497	22,883,923
	<u>56,751,799</u>	<u>49,914,184</u>
Deferred Tax Assets (net)	Total	Total
	<u>39,593,367</u>	<u>34,716,100</u>

Note 6 : Other long-term liabilities

Security deposits received	1,034,812	530,282
Total	<u>1,034,812</u>	<u>530,282</u>

Notes forming part of the financial statements

	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
Note 7: Long-term provisions		
Provision for employee benefits		
- Provision for gratuity	-	6,305,984
- Provision for leave encashment	2,231,259	4,305,044
Total	2,231,259	10,611,028
Note 8: Short-term borrowings (Secured)		
Balances with banks		
- In cash credit accounts	114,764,266	-
Total	114,764,266	-
Cash Credit accounts and Bills Discounting facility with banks are secured by first pari passu charge on the current assets of the Company.		
Note 9: Total outstanding dues of Micro enterprises and small enterprises		
Note: The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 have been made on the basis of confirmations received from suppliers regarding their status under the said Act which has been relied upon by the auditors and is as under:		
	64,210,008	61,184,406
Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
	Rupees	Rupees
Outstanding principal Amount and Interest as on 31st March 2017		
- Principal Amount	64,210,008	61,184,406
- Interest due thereon	-	-
Amount of interest paid along with the amounts of payment made beyond the appointed day	-	-
Amount of interest due and payable (where the principal has already been paid but interest has not been paid)	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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 MSMED Act	-	-
	-	-
	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
Note 10: Other current liabilities		
Unpaid dividends	858,530	868,652
Statutory dues	21,384,032	21,452,998
Disputed demand of V.A.T./ C.S.T. authorities (Refer note 29)	2,139,621	7,905,469
Provision for gratuity	-	5,000,000
Advances from customers	3,475,753	4,338,658
Others	6,206,250	8,475,000
Total	34,064,186	48,040,777
Note 11: Short-term provisions		
Provision for employee benefits		
- Provision for leave encashment	3,624,265	3,381,147
	3,624,265	3,381,147
Other provisions		
- Income-tax (net of advance tax)	8,512,390	12,697,988
- Proposed dividend	-	24,853,395
- Corporate dividend tax	-	5,059,566
	8,512,390	42,610,949
Total	12,136,655	45,992,096

Notes forming part of the financial statements

Note 12: Property, plant and equipment

(Rupees)

Nature of assets	Gross block			Depreciation/Amortisation			Net block		
	As at 1 st April, 2016	Additions	Deletions/ Adjustments	As at 31 st March, 2017	Upto 31 st March, 2016	For the year	Deletions	Upto 31 st March, 2017	As at 31 st March, 2017
A. Tangible assets									
Office Premises	190,343,442 (190,343,442)	- (-)	- (-)	190,343,442 (190,343,442)	36,559,576 (33,725,023)	2,826,807 (2,834,553)	- (-)	39,386,383 (36,559,576)	150,957,059 (153,783,866)
Equipments	5,243,559 (5,126,409)	74,656 (117,150)	- (-)	5,318,215 (5,243,559)	2,161,734 (1,818,391)	283,654 (343,343)	- (-)	2,445,388 (2,161,734)	2,872,827 (3,081,825)
Electrical installations	2,435,364 (2,435,364)	- (-)	- (-)	2,435,364 (2,435,364)	988,254 (688,588)	298,845 (299,666)	- (-)	1,287,099 (988,254)	1,148,265 (1,447,110)
Furniture and Fixtures	25,105,151 (24,025,394)	487,021 (1,079,757)	35,651 (-)	25,556,521 (25,105,151)	11,181,819 (8,613,832)	2,650,924 (2,567,987)	35,651 (-)	13,797,092 (11,181,819)	11,759,429 (13,923,332)
Office equipment	36,201,878 (36,451,366)	2,984,552 (2,988,498)	2,024,823 (3,237,986)	37,161,607 (36,201,878)	27,516,432 (22,973,971)	4,981,819 (7,780,447)	1,999,795 (3,237,986)	30,498,456 (27,516,432)	6,663,151 (8,685,446)
Vehicles	3,710,749 (4,960,749)	1,523,842 (-)	- (1,250,000)	5,234,591 (3,710,749)	2,259,327 (2,113,650)	293,369 (341,604)	- (195,927)	2,552,696 (2,259,327)	2,681,895 (1,451,422)
Total (A)	263,040,143 (263,342,724)	5,070,071 (4,185,405)	2,060,474 (4,487,986)	266,049,740 (263,040,143)	80,667,142 (69,933,455)	11,335,418 (14,167,600)	2,035,446 (3,433,913)	89,967,114 (80,667,142)	176,082,626 (182,373,001)
B. Intangible assets									
Computer Software	7,463,687 (7,357,631)	54,000 (122,941)	- (16,885)	7,517,687 (7,463,687)	6,287,605 (5,788,165)	364,700 (516,325)	- (16,885)	6,652,305 (6,287,605)	865,382 (1,176,082)
Total (B)	7,463,687 (7,357,631)	54,000 (122,941)	- (16,885)	7,517,687 (7,463,687)	6,287,605 (5,788,165)	364,700 (516,325)	- (16,885)	6,652,305 (6,287,605)	865,382 (1,176,082)
Grand Total (A+B)	270,503,830 (270,700,355)	5,124,071 (4,308,346)	2,060,474 (4,504,871)	273,567,427 (270,503,830)	86,954,747 (75,721,620)	11,700,118 (14,683,925)	2,035,446 (3,450,798)	96,619,419 (86,954,747)	176,948,008 (183,549,083)

Figures in brackets are those of previous year.

Notes forming part of the financial statements

	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
Note 13: Non-Current investment		
Trade Investment in Equity Instruments (at cost) (Unquoted) in Subsidiary company, 10,499 Equity shares of Rs. 10/- each fully paid-up in Team F1 Networks Private Limited.	165,000,000	165,000,000
Total	165,000,000	165,000,000
Note 14: Long-term loans and advances (unsecured)		
(a) Considered good:		
Security deposits	12,305,871	11,677,391
Advance payment of taxes (net of provision)	-	39,175
Customs duties paid under protest (Refer note 28)	6,543,161	6,543,161
Capital Advances	220,000	275,000
	<u>19,069,032</u>	<u>18,534,727</u>
(b) Considered doubtful:		
Customs duties recoverable	5,696,262	5,696,262
Less: Provision	5,696,262	5,696,262
	<u>-</u>	<u>-</u>
Total	19,069,032	18,534,727
Note 15: Current Investments (at lower of cost and fair value)		
Investment in mutual fund (unquoted)		
NIL (Previous year 33,986,9380 units of Indiabulls Liquid Fund - Existing Plan Growth)	-	50,000,000
	<u>-</u>	<u>50,000,000</u>
Aggregate value of investments		
At cost	-	50,000,000
Repurchase value	-	50,047,975
Note 16: Inventories (valued at lower of cost and net realisable value)		
Raw materials	20,199,107	36,315,012
Finished Goods	24,470,023	-
Traded goods [including Goods-in-transit Rs. 46,337,051/- (Previous year Rs. 236,713,355/-)]	649,188,622	960,690,731
Total	693,857,752	997,005,743
Note 17: Trade receivables (Unsecured)		
a Trade receivables outstanding for a period exceeding six months from the date they were due to payment		
Considered good	112,730,112	-
Considered doubtful	52,041,296	7,090,724
	<u>164,771,408</u>	<u>7,090,724</u>
Less: Provision for doubtful trade receivables	(52,041,296)	(7,090,724)
	<u>112,730,112</u>	<u>-</u>
b Other Trade receivables		
Considered good	1,415,638,265	1,709,230,310
Considered doubtful	76,187	3,389,143
	<u>1,415,714,452</u>	<u>1,712,619,453</u>
Less: Provision for doubtful trade receivables	(76,187)	(3,389,143)
	<u>1,415,638,265</u>	<u>1,709,230,310</u>
Total	1,528,368,377	1,709,230,310
Note 18 : Cash and Cash equivalents		
Cash on hand	-	49,781
Balances with banks		
- In current accounts	5,433,588	67,240,288
- In earmarked accounts		
- Unpaid dividend accounts	862,772	871,481
	<u>6,296,360</u>	<u>68,111,769</u>
Total	6,296,360	68,161,550

Notes forming part of the financial statements

	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
Note 19: Short-term loans and advances (Unsecured, considered good)		
Customs and other duties recoverable	21,198,777	12,115,162
Prepaid expenses	13,565,315	10,128,411
Service tax receivable	309,920	6,836
Advances to suppliers	3,703,696	16,387,310
Excess remuneration recoverable from a Director (Refer note 41)	1,525,554	-
Advances to employees	2,023,926	1,217,189
Total	42,327,188	39,854,908
Note 20: Other Current Assets		
Deferred premium on foreign exchange forward contracts	430,063	4,032,833
	430,063	4,032,833

	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
	Rupees	Rupees
Note 21: Revenue from operations		
Sale of products (Refer Note (i) below)	6,949,296,920	6,987,384,233
Sale of services	7,655,800	8,789,711
Other operating revenues (Refer Note (ii) below)	21,663,103	12,253,218
	<u>6,978,615,823</u>	<u>7,008,427,162</u>
Notes:		
(i) Sale of products comprises of		
<u>Finished goods</u>		
- Electronic products	117,035,097	8,874,675
<u>Traded goods</u>		
- Networking products	6,832,261,823	6,978,509,558
	<u>6,949,296,920</u>	<u>6,987,384,233</u>
(ii) Other operating revenues		
- Duty drawback	17,376,482	8,558,072
- Others	4,286,621	3,695,146
	<u>21,663,103</u>	<u>12,253,218</u>
Note 22: Other income		
Interest		
- On delayed payments by customers.	2,674,518	1,571,481
- On others	-	60,102
	<u>2,674,518</u>	<u>1,631,583</u>
Profit on sale of current investments (non-trade) (net)	3,334,832	6,533,343
Sundry balances written back	5,810,141	104,090
Profit on sale of fixed Assets	24,742	37,331
Provision for doubtful debts written back	-	5,584,041
Exchange gain (net)	9,610,841	-
Miscellaneous income	10,193	568
Total	21,465,267	13,890,956

Notes forming part of the financial statements

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Rupees	Rupees
Note 23: Cost of materials consumed		
Opening stock	36,315,012	-
Add: Purchases	93,222,021	43,910,988
Less: Closing stock	20,199,107	36,315,012
	109,337,926	7,595,976
Raw material consumed comprises of:		
Integrated circuits	46,925,578	3,155,470
Power Adaptor	12,587,375	846,266
Smartcard	5,161,296	797,823
Remote	5,129,222	390,902
PCB	4,789,198	323,529
Others	34,745,257	2,081,986
Note 24: Changes in inventories of traded goods		
<u>Closing Stock</u>		
Finished Goods	24,470,023	-
Traded goods	649,188,622	960,690,731
	673,658,645	960,690,731
<u>Less: Opening Stock</u>		
Traded goods	960,690,731	781,218,460
	960,690,731	781,218,460
	Decrease / (Increase)	(179,472,271)
	287,032,086	
Note 25: Employee benefits expense		
Salaries, wages and bonus	285,746,437	290,196,551
Contribution to provident and other funds	481,657	12,239,121
Staff welfare expenses	6,821,307	8,367,078
	Total	310,802,750
	293,049,401	
Note 26: Finance Cost		
<u>Interest</u>		
- On cash credit accounts	3,771,464	2,058,004
- On delayed payments of Income-tax / service tax	1,182,000	1,562,839
- On others	160,376	-
	Total	3,620,843
	5,113,840	
Note 27: Other Expenses		
Sales and customer support services	4,421,335	5,889,177
Power	5,636,835	6,187,817
Rent	35,946,057	33,451,121
Rates and taxes	2,093,818	3,154,437
Insurance	15,296,613	10,534,923
<u>Repairs and maintenance:</u>		
- Office premises	1,947,218	2,359,874
- Others	5,677,939	3,127,907
	7,625,157	5,487,781
Travelling and conveyance expenses	29,000,446	31,991,647
Communication expenses	10,547,213	8,849,140
Advertisement and sales development expenses	99,907,114	94,882,410
Commission on sales	118,770,394	126,641,770
Servicing expenses	40,786,348	44,843,019
Provision for doubtful debts (net of amounts written back)	41,637,616	-
Exchange loss (net)	-	20,231,968
Legal and professional fees	30,574,711	33,975,174
Bad debts/Advances written off	3,158,876	1,329,541
Expenditure on Corporate Social Responsibility (Refer note 39)	1,601,250	-
Miscellaneous expenses	36,595,128	28,420,845
	Total	455,870,770
	483,598,911	

Notes forming part of the financial statements

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Rupees	Rupees
Note 28: Contingent liabilities		
Contingent liabilities, in respect of Custom duty paid under protest. The same is included under "customs duties paid under protest" in note no.14 pending resolution of the dispute.	6,312,963	6,312,963
The trading material / software imported are subjected to different rates of customs duty based on classification under respective Tariff Head. The Customs department has objected to the classifications adopted for certain items and has demanded additional duty for the same. The differential duty has been paid under protest. The matter is pending with Central Excise and Service Tax Appellate Tribunal for hearing.		
Disputed demand from commercial tax officer Margao, Government of Goa, towards value added tax (VAT) / central sales tax (CST)	10,435,455	10,435,455
The Company had filed appeal against the assessment order before the Additional Commissioner of Commercial Taxes, Panaji- Goa requesting for Stay of the recovery of disputed amount of tax pertaining to non submission of C-Forms, demanded for the Assessment Year 2009-10. The Company is awaiting personal hearing from the Additional Commissioner of Commercial Taxes.		

Note 29: The company had disputed the demands from the commercial tax office Margao, Government of Goa towards VAT / CST, mainly relating to 'C' forms from customers, aggregating Rs. 1,438,773/- (Previous year Rs.5,676,097/-), including interest aggregating Rs. 700,848/- (Previous year Rs. 2,229,372/-). The Company, out of abundant caution has provided for the aforesaid demands (Refer note 10), but is pursuing the matter in appeal with the authorities and is hopeful of succeeding in the appeal.

Note 30:

- a) The Company enters into foreign exchange forward contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than the Indian rupee. The counter party to the Company's foreign currency forward contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments.

The following are the outstanding forward exchange contracts entered into by the company:

Currency	Amount Outstanding at year end in Foreign currency	Amount outstanding at year end in Rupees	Exposure to Buy / Sell
US Dollar	2,500,000 (10,000,000)	168,318,750 (671,075,000)	Buy Buy

Figures in brackets are those of previous year

- b) The year-end foreign currency exposures that have not been specifically hedged by a derivative instrument or otherwise are given below:
Amount receivable in foreign currency on account of the following:

	As at 31st March, 2017		As at 31st March, 2016	
	In Foreign Currency	In Rupees	In Foreign Currency	In Rupees
Receivables	USD 543,365	35,229,084	USD 767,676	50,858,527

Amount payable in foreign currency on account of the following:

	As at 31st March, 2017		As at 31st March, 2016	
	In Foreign Currency	In Rupees	In Foreign Currency	In Rupees
Payables	USD 2,353,275	152,598,019	USD 7,583,383	502,474,967

	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
	Rupees	Rupees
Note 31: Payment to Auditors (exclusive of service tax)		
<u>As Auditors</u>		
For Statutory Audit	1,600,000	1,600,000
For Limited Review	600,000	600,000
For Audit of financial information for the calendar year end	300,000	300,000
<u>Others</u>		
For Taxation matters	350,000	300,000
For Other services - certification etc.	80,000	1,500,000
For Reimbursement of expenses	10,431	67,654
Total	2,940,431	4,367,654

Notes forming part of the financial statements

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Rupees	Rupees
Note 32:		
(a) Details of purchases		
Raw materials	93,222,021	43,910,988
Traded goods - Networking products	5,555,066,465	6,076,327,006
(b) Details of inventory		
Raw materials	20,199,107	36,315,012
Finished Goods	24,470,023	-
Traded goods - Networking products	649,188,622	960,690,731
	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
Note 33:		
A The disclosure as required under Accounting Standard 15 on 'Employee Benefits' (AS-15) regarding the Company's defined benefit plan is as follows:		
I. Reconciliation of opening and closing balances of Defined Benefit obligation		
	Gratuity (funded)	Gratuity (funded)
Defined Benefit obligation at the beginning of the year	32,125,634	24,792,595
Current Service Cost	4,566,621	5,642,962
Interest Cost	2,351,036	1,913,537
Actuarial (gain) / loss	(10,507,323)	107,241
Benefits paid	(1,220,804)	(330,701)
Defined Benefit obligation at the end of the year	27,315,164	32,125,634
II. Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at beginning of the year	20,819,650	19,838,239
Expected return on plan assets	1,878,878	1,573,956
Actuarial gain / (loss)	480,095	(272,995)
Employer contribution	6,559,217	11,151
Benefits paid	(1,220,804)	(330,701)
Fair value of plan assets at year end	28,517,036	20,819,650
III Reconciliation of fair value of assets and obligations		
Present value of obligation as at 31st March, 2017 / 31st March, 2016	27,315,164	32,125,634
Fair value of plan assets as at 31st March, 2017 / 31st March, 2016	28,517,036	20,819,650
Amount recognized in Balance Sheet	1,201,872	(11,305,984)
IV Expense recognized during the year		
(Under the head employee benefits expenses)		
Current Service Cost	4,566,621	5,642,962
Interest Cost	2,351,036	1,913,537
Expected return on plan assets	(1,878,878)	(1,573,956)
Actuarial (gain) / loss	(10,987,418)	380,236
Net Cost	(5,948,639)	6,362,779
V Actuarial assumptions		
Discount rate (per annum)	7.33%	7.46%
Expected rate of return on plan assets (per annum)	8.00%	8.00%
Rate of escalation in salary (per annum)	12.00%	17.00%
Employee Attrition Rate	5.00%	5.00%

Notes forming part of the financial statements

VI The assumptions of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment. From the current year the salary escalation have been dropped on account of market / industry conditions. The rate of escalation of 12% is intended to be the reasonable expectation in the future as well.

The amounts of the present value of the obligation, fair value of the plan assets, surplus or deficit in the plan, experience adjustments arising on plan liabilities and plan assets are furnished below;

	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2013
<u>Experience Adjustment</u>					
a. Due to change in Actuarial assumption	(6,850,934)	1,478,886	12,023,791	(1,542,521)	3,164,764
b. Experience (Gain) / Loss on obligation	(3,656,389)	(1,371,645)	(3,925,325)	(27,947)	(1,064,297)
c. Actuarial gain / (loss) on plan assets	480,095	(272,995)	83,182	(370,931)	(94,280)
Present value of benefit obligation	27,315,164	32,125,634	24,792,595	9,394,012	8,353,876
Fair value of plan assets	28,517,036	20,819,650	19,838,239	8,654,772	5,057,004
Excess of (obligation over plan assets) / plan assets over obligation	1,201,872	(11,305,984)	(4,954,356)	(739,240)	(3,296,872)

VII The company operates a funded gratuity plan for qualifying employees which is managed by Bajaj Allianz Life Insurance Company.

Under the plan, the employees entitled to gratuity benefits based on final salary at retirement. The company makes provision in the books based on third party actuarial valuation.

The details of the composition of the plan asset, by category, from the insurers have not been received and hence the disclosures as required by Accounting Standards (AS) – 15 in "Employee benefits" have not been given.

The contributions expected to be made by the Company during the financial year 2017-18 is Rs.3,000,000.

B The disclosure as required under AS-15 regarding the Company's defined contribution plans is as follows :

- i) Contribution to provident fund Rs. 6,430,296/- (Previous year Rs.5,887,493/-)

Note 34: Lease transactions

Operating leases

The company has taken premises on cancellable operating lease basis. The tenure of the agreement ranges from 24 to 60 months. There are no renewal and escalation clauses in these agreements.

The lease rentals for the year charged to revenue are Rs. 35,946,057/- (Previous year Rs. 33,451,121/-)

Note 35: Related party disclosures

a) Name of related parties where control exists

D-Link Holding Mauritius Inc.	Holding Company
D-Link Corporation, Taiwan	Ultimate Holding Company
TeamF1 Networks Private Limited	Subsidiary Company

b) List of related parties with whom transactions have taken place during the year and nature of relationship

<i>Name of the related parties</i>	<i>Nature of relationship</i>
D-Link Corporation	Ultimate Holding Company
D-Link (Europe) Ltd	Fellow Subsidiary
D-Link International (Singapore)	Fellow Subsidiary
D-Link Canada Inc.	Fellow Subsidiary
D-Link Middle East-FZCO	Fellow Subsidiary
D-Link Japan K K (DJP)	Fellow Subsidiary
D-Link International Pte. Ltd	Fellow Subsidiary
D-Link Latin America Company Ltd.	Fellow Subsidiary
D-Link Brazil LTDA	Fellow Subsidiary
D-Link Australia Pty Limited	Fellow Subsidiary
D-Link Systems Inc.	Fellow Subsidiary
D-Link Latin America - DLABR	Fellow Subsidiary
TeamF1 Networks Private Limited	Subsidiary Company
Mr. Yao Chuan Yang (Gary Yang)	Key management person
Mr. Tushar Sighat	Key management person

Notes forming part of the financial statements

(c) Details of transactions with related parties during the year: (Rupees)

Nature of transactions	Ultimate Holding Company / Holding Company	Subsidiary Company	Fellow Subsidiary	Key management person	Total
Purchase of traded goods					
D-Link International (Singapore)			3,713,678 (5,052,976)		3,713,678 (5,052,976)
D-Link International Pte. Ltd.			2,570,351,417 (3,301,249,510)		2,570,351,417 (3,301,249,510)
D-Link Corporation	637,823 (1,024,201)				637,823 (1,024,201)
Others			11,852,334 (39,370,115)		11,852,334 (39,370,115)
Sale of traded goods					
D-Link International (Singapore)			5,819,457 (75,162)		5,819,457 (75,162)
D-Link Middle East-FZCO			12,807,412 (339,488)		12,807,412 (339,488)
D-Link Latin America Company Ltd.			2,687,795 (993,624)		2,687,795 (993,624)
D-Link Corporation	616,612 (-)				616,612 (-)
D-Link Japan K.K.			- (559,564)		- (559,564)
TeamF1 Networks Private Limited		- (134,210)			- (134,210)
Professional fees paid					
D-Link Corporation	12,722,978 (15,695,941)				12,722,978 (15,695,941)
Reimbursement of expenditure to					
D-Link Corporation	1,282,875 (304,454)				1,282,875 (304,454)
D-Link International Pte. Ltd.			506,556 (359,061)		506,556 (359,061)
D-Link International (Singapore)			- (552,355)		- (552,355)
D-Link Systems Inc.			- (6,383)		- (6,383)
Reimbursement of expenditure from					
D-Link International Pte. Ltd			- (97,302)		- (97,302)
D-Link Holding Mauritius Inc.	- (193,426)				- (193,426)
D-Link Middle East-FZCO			9,313 (45,061)		9,313 (45,061)
Managerial Remuneration					
Mr. Yao Chuan Yang (Gary Yang)				4,930,465 (3,096,809)	4,930,465 (3,096,809)
Mr. Tushar Sighat				27,021,114 (21,002,923)	27,021,114 (21,002,923)
Dividend paid					
D-Link Holding Mauritius Inc.	12,680,264 (12,680,264)				12,680,264 (12,680,264)
Mr. Tushar Sighat				11,499 (11,499)	11,499 (11,499)

Notes forming part of the financial statements

(c) Details of transactions with related parties during the year (contd.) (Rupees)

Nature of transactions	Ultimate Holding Company / Holding Company	Subsidiary Company	Fellow Subsidiary	Key management person	Total
At the year end					
Amount due to					
D-Link International Pte. Ltd			169,572,163 (1,048,634,285)		169,572,163 (1,048,634,285)
D-Link International (Singapore)			10,575 (1,916,074)		10,575 (1,916,074)
D-Link Corporation	11,731,193 (13,988,125)				11,731,193 (13,988,125)
Others			663,744 (26,836,494)		663,744 (26,836,494)
Amount due from					
D-Link Middle East-FZCO			239,890 (-)		239,890 (-)
D-Link International (Singapore)			5,096,556 (-)		5,096,556 (-)
Mr. Tushar Sighat				1,525,554 (-)	1,525,554 (-)
Other			104,972 (-)		104,972 (-)

Figures in brackets pertain to previous year.

Note 36: Segment information

(A) Segment information for primary reporting (by business segment)

The Company is primarily engaged in marketing and distribution of D-Link branded Networking products. The reporting segment for the Company, therefore, is the business segment, viz. networking products.

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

The Company's operations are mainly confined within India and as such there are no reportable geographical segments.

Note 37:

Earnings per share is calculated by dividing the profit attributable to the Equity shareholders by the weighted average number of Equity shares outstanding during the year, as under:

	Year ended 31st March, 2017	Year ended 31st March, 2016
Profit attributable to equity shareholders (Rupees)	158,551,827	214,989,034
Weighted average number of Equity Shares outstanding during the year	35,504,850	35,504,850
Basic and diluted earnings per share (Rupees)	4.47	6.06
Nominal value per share (Rupees)	2.00	2.00

Note 38: Other disclosures

	Current year		Previous year	
	Rs.	% age to total consumption	Rs.	% age to total consumption
a) Raw material consumed				
imported	84,634,973	77%	5,164,967	68%
indigenous	24,702,953	23%	2,431,009	32%
	109,337,926	100%	7,595,976	100%

Notes forming part of the financial statements

Note 38: Other disclosures (contd.)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Rupees	Rupees
b) C.I.F. value of goods imported		
Raw material	63,714,216	37,088,172
Traded goods	3,056,778,257	3,792,187,602
c) Expenditure in foreign currency		
Travelling expenses	182,430	390,735
Professional Fees	12,722,978	15,695,941
Others	10,881,263	6,975,935
d) Earnings in foreign exchange		
F.O.B. value of exports	187,923,778	223,099,494
e) Amount remitted during the year in foreign currency on account of dividend		
Number of non-resident shareholders	2	3
Number of shares held by them on which dividend is due	18,164,663	18,214,663
Year to which dividend relates	2015-16	2014-15
Amount of dividend remitted in Rupees	12,715,264	12,750,264

Other than the above, the Company has not remitted any amount in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividend have been made by non-resident shareholders.

Note 39: As per the provisions of section 135 of the Companies Act, 2013, the company is required to spend during the year Rs. 5,832,711/- (Previous year Rs. 4,872,636/-) towards Corporate Social Responsibility (CSR) activities. The Company has spent Rs. 1,601,250/- (Previous year - NIL) during the year in line with the CSR policy of the company.

Note 40: Details of Specified Bank Notes (SBN's) held and transacted during the period from 8th November 2016 to 30th December 2016:

(Amount in Rs.)

Particulars	SBNs	Other denomination notes	Total
Closing cash on hand as on 8th November 2016	40,000	21,430	61,430
Add: Permitted receipts	-	10,100	10,100
Less: Permitted payments	-	(26,400)	(26,400)
Less: Amount deposited in banks	(40,000)	(4,500)	(44,500)
Closing cash on hand as on 30th December 2016	-	630	630

Note 41: Remuneration aggregating to Rs. 1,525,554/- paid which was determined to be in excess of limits specified in Section 197 read with Schedule V of the Companies Act, 2013 is to be recovered from the Director.

Note 42: Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification.

Signatures to Notes 1 to 42

For and on behalf of the Board of Directors

Gary Yang
Managing Director

Tushar Sighat
Executive Director & CEO

C. M. Gaonkar
Chief Financial Officer

Shrinivas Adikesar
Company Secretary

Mumbai, dated: 12th May, 2017

**Consolidated
Financial Statements**



Independent Auditors' Report

TO THE MEMBERS OF D-LINK (INDIA) LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **D-LINK (INDIA) LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "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 prescribed 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, 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.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement 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.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2017 taken on record by the Board of Directors of the Holding Company and our report of the subsidiary, none of the directors of the Group companies is disqualified as on 31st March, 2017 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 over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A", which is based on the auditors' reports of the Holding company and its subsidiary company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Holding company's and subsidiary company's internal financial controls over financial reporting.
 - 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
 - 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 there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary company.
 - iv. The Holding Company has provided requisite disclosures in the consolidated financial statements as regards the holding and dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016 of the Group entities as applicable. Based on audit procedures performed and the representations provided to us by the management we report that the disclosures are in accordance with the relevant books of accounts maintained by those entities for the purpose of preparation of the consolidated financial statements and as produced to us by the Management of the respective Group entities.

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

Rakesh Sharma
Partner
(Membership no: 102042)

Place: Mumbai
Date : 12th May, 2017

Annexure "A" to the Independent Auditors' Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March, 2017, we have audited the internal financial controls over financial reporting of **D-LINK (INDIA) LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary company, which is incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary company, which is incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (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 Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary company, which is 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 Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, 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 adequate internal financial controls over financial reporting 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 adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 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 internal financial controls system over financial reporting of the Holding Company and its subsidiary company which is incorporated in India.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, which is incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2017, based on the internal control over financial reporting 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.

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

Place: Mumbai
Date : 12th May, 2017

Rakesh Sharma
Partner
(Membership no: 102042)

Consolidated Balance Sheet

Sl. No.	Particulars	Note No.		As at 31st March, 2017	As at 31st March, 2016
			Rupees	Rupees	Rupees
I. EQUITY AND LIABILITIES					
(1) Shareholders' funds					
	(a) Share capital	3	71,009,700		71,009,700
	(b) Reserves and surplus	4	1,669,270,710		1,492,855,021
				1,740,280,410	1,563,864,721
(2) Minority Interest					
			6,049		4,348
				6,049	4,348
(3) Non-current liabilities					
	(a) Other long-term liabilities	6	1,034,812		530,282
	(b) Long-term provisions	7	4,351,927		20,919,109
				5,386,739	21,449,391
(4) Current Liabilities					
	(a) Short-term borrowings	8	114,764,266		-
	(b) Trade payables				
	i) Total outstanding dues of micro enterprises and small enterprises	9	64,210,008		61,184,406
	ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		757,402,155		1,583,010,167
	(c) Other current liabilities	10	35,760,756		51,320,713
	(d) Short-term provisions	11	12,881,127		48,138,332
				985,018,312	1,743,653,618
	Total			2,730,691,510	3,328,972,078
II. ASSETS					
(1) Non-current assets					
	(a) Property, plant and equipment				
	(i) Tangible assets	12A	184,675,404		190,617,791
	(ii) Intangible assets	12B	1,109,382		1,664,082
				185,784,786	192,281,873
	(b) Goodwill on consolidation	13		153,496,461	153,496,461
	(c) Deferred tax Asset (net)	5		40,254,180	37,937,770
	(d) Long-term loans and advances	14		32,980,223	29,481,258
(2) Current assets					
	(a) Current Investments	15	-		50,000,000
	(b) Inventories	16	693,857,752		997,005,743
	(c) Trade receivables	17	1,543,298,252		1,717,047,955
	(d) Cash and cash equivalents	18	36,813,936		92,245,963
	(e) Short-term loans and advances	19	43,406,531		55,216,680
	(f) Other current assets	20	799,389		4,258,375
				2,318,175,860	2,915,774,716
	Total			2,730,691,510	3,328,972,078

See accompanying notes forming part of the financial statements.

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Mumbai, dated: 12th May, 2017

For and on behalf of the Board of Directors

Gary Yang
Managing Director

C. M. Gaonkar
Chief Financial Officer

Mumbai, dated: 12th May, 2017

Tushar Sighat
Executive Director & CEO

Shrinivas Adikesar
Company Secretary

Consolidated Statement of Profit and Loss

Sl. No.	Particulars	Note No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
			<u>Rupees</u>	<u>Rupees</u>
1	Revenue from operations	21	7,171,555,748	7,214,295,799
	Less: Excise Duty		12,199,396	983,230
	Revenue from operations (net)		7,159,356,352	7,213,312,569
2	Other income	22	22,159,912	14,851,790
3	Total Revenue (1+2)		<u>7,181,516,264</u>	<u>7,228,164,359</u>
4	Expenses			
	Cost of raw material consumed	23	109,337,926	7,595,976
	Purchases of traded goods		5,555,066,465	6,076,327,006
	Changes in inventories of traded goods	24	287,032,086	(179,472,271)
	Employee benefits expense	25	423,206,967	434,238,085
	Finance cost	26	5,113,984	3,802,504
	Depreciation and amortisation expenses	12	15,285,257	16,806,235
	Other expenses	27	516,859,106	493,904,752
	Total Expenses		<u>6,911,901,791</u>	<u>6,853,202,287</u>
5	Profit before tax (3-4)		<u>269,614,473</u>	<u>374,962,072</u>
6	Tax expenses			
	- Current tax		96,836,183	146,645,536
	- Deferred tax		(2,316,410)	(17,269,150)
	- Short / (Excess) provision for tax in respect of earlier years.		(1,322,690)	1,831,953
			<u>93,197,083</u>	<u>131,208,339</u>
7	Profit after tax (5-6)		<u>176,417,390</u>	<u>243,753,733</u>
	Minority Interest		(1,701)	(2,739)
	Profit for the year		<u>176,415,689</u>	<u>243,750,994</u>
	Earnings per share (Face value of Rs. 2/- per share)			
	Basic		4.97	6.87
	Diluted (Refer Note 37)		4.97	6.87
	See accompanying notes forming part of the financial statements.			

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Mumbai, dated: 12th May, 2017

For and on behalf of the Board of Directors

Gary Yang
Managing Director

C. M. Gaonkar
Chief Financial Officer

Mumbai, dated: 12th May, 2017

Tushar Sighat
Executive Director & CEO

Shrinivas Adikesar
Company Secretary

Consolidated Cash Flow Statement

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Rupees	Rupees
A. Cash flows from operating activities		
Profit before tax	269,614,473	374,962,072
Adjustments for:		
Depreciation / Amortisation	15,285,257	16,806,235
Profit on sale / discard of assets	(22,796)	(37,331)
Assets written off	-	30,206
Profit on sale of current investments (non-trade)	(3,334,832)	(6,533,343)
Bad debts / Advances written off	3,260,000	1,329,541
Unrealised exchange differences	(7,648,106)	22,968,108
Sundry balances written back	(5,810,141)	(246,650)
Interest Income - Interest on Income Tax Refund	(95,036)	-
Provision for doubtful debts written back	-	(5,482,917)
Provision for doubtful debts and advances	44,257,012	-
Interest and finance charges	5,113,984	3,802,504
Interest income on fixed deposits	(592,942)	(919,398)
Interest on delayed payments by customers	(2,674,518)	(1,571,481)
Interest on others	-	(60,102)
Operating profit before working capital changes	317,352,355	405,047,444
Decrease / (Increase) in Trade receivables	124,390,833	(292,556,182)
Decrease / (Increase) in inventories	303,147,991	(215,787,283)
Decrease / (Increase) in loans and advances	8,272,009	(45,255,095)
Decrease / (Increase) in other current assets	3,602,770	(3,992,455)
(Decrease) / Increase in trade payables	(813,123,566)	470,809,846
(Decrease) / Increase in other current liabilities	(8,180,049)	16,104,020
Increase in long term liabilities	504,530	77,641
Increase / (Decrease) in short term provisions	352,859	(123,460)
(Decrease) / Increase in long term provisions	(16,567,182)	3,349,681
Cash (used in) / generated from Operations	(80,247,450)	337,674,157
Direct taxes paid	(101,171,421)	(147,065,705)
Net cash (used in) / generated from operating activities	(181,418,871)	190,608,452
B. Cash flows from investing activities		
Purchase of assets	(8,831,619)	(11,453,834)
Purchase of current investments	(1,620,100,000)	(2,265,999,995)
Sale of current investments	1,673,434,832	2,222,533,338
Sale of assets	66,245	1,091,404
Interest received	3,218,712	2,334,069
Net cash generated from / (used in) investing activities	47,788,170	(51,495,018)
C. Cash flows from financing activities		
Short-term borrowings (cash credit account) (net)	114,764,266	(22,742,889)
Dividend paid (including Corporate Dividend tax)	(29,914,374)	(29,914,160)
Interest paid	(6,642,509)	(3,101,656)
Net cash generated from / (used in) financing activities	78,207,383	(55,758,705)
Net (Decrease) / Increase in cash and cash equivalents	(55,423,318)	83,354,729
Cash and cash equivalents at the beginning of the year	91,374,482	8,019,753
Cash and cash equivalents at the end of the year	35,951,164	91,374,482
Note:		
Reconciliation of Cash and cash equivalents :		
Cash and cash equivalents (Refer note 18)	36,813,936	92,245,963
Less: Bank balances not considered as Cash and cash equivalents as defined in Accounting Standard (AS) 3 on 'Cash Flow Statements', as same are restricted.		
In earmarked accounts :		
Unpaid dividend accounts	862,772	871,481
Net cash and cash equivalents as defined in AS 3 on 'Cash Flow Statements'.	35,951,164	91,374,482

In terms of our report attached

For Deloitte Haskins & Sells LLP
Chartered Accountants

Rakesh Sharma
Partner

Mumbai, dated: 12th May, 2017

For and on behalf of the Board of Directors

Gary Yang
Managing Director

C. M. Gaonkar
Chief Financial Officer

Mumbai, dated: 12th May, 2017

Tushar Sighat
Executive Director & CEO

Shrinivas Adikesar
Company Secretary

Notes forming part of the consolidated financial statements

Note: 1 Background

The Consolidated Financial Statements of D-Link (India) Limited (the Parent Company) comprise of the financials of the parent company and TeamF1 Networks Private Limited (subsidiary of the parent Company), together referred to as the 'Group'.

TeamF1 Networks Private Limited is in the business of providing services in relation to the Network Security Software.

Note: 2 Significant Accounting Policies

a Basis of preparation of financial statements

The consolidated financial statements of the Group have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards prescribed under section 133 of the Companies Act, 2013 ("the Act") and the relevant provisions of the Companies Act, 2013.

b Principles of Consolidation:

The Consolidated Financial Statements have been prepared on the following basis:

- (i) The Financial Statements of the subsidiary used in consolidation is drawn upto the same reporting date as that of the Parent Company i.e. year ended 31st March, 2017 and are audited
- (ii) The Financial Statements of the Parent Company and its subsidiary company are consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered.
- (iii) The excess of cost to the Group of its investments in the subsidiary company over its share of equity of the subsidiary company at the date on which the investments was made, is recognised as 'Goodwill' being an asset in the Consolidated Financial Statements and is tested for impairment.
- (iv) Minority Interest in the net assets of the consolidated subsidiary consists of the amount of equity attributable to the minority shareholders at the date on which Investments in the subsidiary company was made and further movements in their share in the equity, subsequent to the date of Investment. Net profit for the year of the subsidiary attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- (v) The following Subsidiary Company (incorporated in India) has been considered in the preparation of Consolidated Financial Statements:

Name	% holding as at 31st March 2017	% holding as at 31st March 2016
TeamF1 Networks Private Limited	99%	99%

c Use of estimates

The preparation of consolidated financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognised in the periods in which the results are known / materialise.

d Property, plant and equipment

i) Tangible assets

Tangible assets are carried at cost of acquisition or construction less accumulated depreciation and impairment loss, if any.

ii) Intangible assets

Intangible assets are stated at cost less accumulated amortisation.

e Depreciation and amortisation

i) Tangible assets

Depreciation is provided on the straight-line method as per the estimated useful life as prescribed in Schedule II to the Companies Act, 2013. Assets costing less than Rs. 5,000 each are fully depreciated in the year of acquisition.

Depreciation on additions and deletions during the year are charged on pro-rata basis.

ii) Intangible assets

Computer software is amortised over a period of five years.

f Impairment of assets

At the end of each accounting period, the Group determines whether a provision should be made for impairment loss on fixed assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard 28 on 'Impairment of Assets'. An impairment loss is charged to the Consolidated Statement of Profit and Loss in the period in which an asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

g Investments

Long-term (non-current) investments are carried at cost. Provision for diminution, if any, is made to recognize a decline, other than temporary, in the value of investments. Current investments are carried at lower of cost and fair value.

h Inventories

Items of inventory are valued at lower of cost and net realisable value; on the following basis.

- i) Raw material - on weighted average basis.
- ii) Finished goods - on the basis of absorption costing comprising of direct costs and overheads.
- iii) Traded goods - on weighted average basis.

Notes forming part of the consolidated financial statements

i Revenue recognition

Revenue from sale of products is recognised net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods.

Revenue from Services is recognized on the basis of the terms of Contract and Project Work Orders, when the services are rendered.

Revenue is recognized when no significant uncertainty as to determination/ realization exists.

Interest income is accounted on accrual basis.

Dividend income is accounted for when the right to receive the same is established.

j Employee Benefits

Compensation to employees for services rendered is accounted for in accordance with AS-15 on "Employee Benefits".

Employee Benefits such as salaries, allowances, non-monetary benefits and employee benefits under defined contribution plans such as provident and other funds, which fall due for payment within a period of twelve months after rendering service, are charged as expense to the Consolidated Statement of Profit and Loss in the period in which the service is rendered.

Employee Benefits under defined benefit plans and other long term employee benefits, such as gratuity and compensated absences which fall due for payment after a period of twelve months from rendering service or after completion of employment are measured by the Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each balance sheet date. The Group's obligations recognized in the consolidated balance sheet represent the present value of obligations as reduced by the fair value of plan assets, where applicable.

Actuarial gains and losses are recognized immediately in the Consolidated Statement of Profit and Loss.

k Foreign currency transactions

Transactions in foreign currencies are recorded at the rates of exchange in force at the time the transactions are effected. In case of forward exchange contracts, other than for trading or speculation purposes, the premium or discount arising at the inception of the contract is amortised as expense or income over the life of contract.

Gains / losses on settlement of transactions are recognised as income or expense.

At the year-end, monetary items denominated in foreign currency and the relevant foreign exchange contracts are reported using the closing rate of exchange. Exchange difference arising thereon are accounted as income or expenses in the relevant year.

l Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

m Taxes on income

Income taxes are accounted for in accordance with Accounting Standard 22 on Accounting for Taxes on Income. Taxes comprise both current and deferred tax.

Current tax is measured at the amount expected to be paid to / recovered from the taxation authorities, using the applicable tax rates and tax laws.

The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax asset or deferred tax liability. They are measured using the substantively enacted tax rates and tax regulations.

The carrying amount of deferred tax assets at each balance sheet date is reduced to the extent that it is no longer reasonably certain that sufficient future taxable income will be available against which the deferred tax asset can be realised.

Tax on distributed profits payable in accordance with the provisions of Section 115-O of the Income-Tax Act, 1961, is, in accordance with the Guidance Note on Accounting for Corporate Dividend Tax, regarded as a tax on distribution on profits and is not considered in determination of the profits of the Group.

n Provisions and contingencies

Provision is recognised in the accounts when there is a present obligation as a result of past event/s and it is probable that an outflow of resources will be required to settle the obligation. Contingent liabilities, if any are disclosed in the notes to the Consolidated financial statements.

Note 3: Share Capital

	As at 31st March, 2017		As at 31st March, 2016	
	Rupees		Rupees	
a. Authorised share capital				
70,000,000 Equity Shares of Rs. 2/- each		140,000,000		140,000,000
b. Issued, subscribed and paid up				
35,504,850 Equity Shares of Rs. 2/- each, fully paid-up.		71,009,700		71,009,700
c. Rights, preferences and restrictions attached to each class of shares				
The Parent Company has only one class of Equity Shares having a par value of Rs. 2/- per share. Each holder of Equity shares is entitled to one vote per share and each Equity share carries an equal right to dividend and repayment of capital.				
d. Details of shares held by the Holding Company				
	As at 31st March, 2017		As at 31st March, 2016	
	Number	Rupees	Number	Rupees
D-Link Holding Mauritius Inc.	18,114,663	36,229,326	18,114,663	36,229,326

Notes forming part of the consolidated financial statements

e Reconciliation of the number of Shares and amount outstanding

	As at 31st March, 2017		As at 31st March, 2016	
	Number	Rupees	Number	Rupees
Opening Balance	35,504,850	71,009,700	35,504,850	71,009,700
Shares issued during the year	-	-	-	-
Closing Balance	35,504,850	71,009,700	35,504,850	71,009,700

f Details of shareholders holding more than 5% of the Equity shares in the Parent Company

Name of the Shareholders	As at 31st March, 2017		As at 31st March, 2016	
	Number	% holding	Number	% holding
D-Link Holding Mauritius Inc., holding company	18,114,663	51.02%	18,114,663	51.02%
Mukesh Tirthdas Lulla	2,618,773	7.38%	2,618,773	7.38%
Vinai Kolli	1,200,000	3.38%	2,254,375	6.35%
SBI Funds Management Pvt. Ltd	-	-	2,073,669	5.84%

g Shares allotted as fully paid-up pursuant to contracts without payment being received in cash during the period of five years immediate preceding the date of the Balance Sheet are as under:

5,500,000 Equity shares fully paid up to the shareholders and promoters of TeamF1 Networks Private Limited (TeamF1) on preferential allotment basis on 29th May, 2014 pursuant to share swap agreement.

	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
Note 4: Reserves and surplus		
Securities Premium Account		
As per last Balance sheet	359,134,440	359,134,440
	<u>359,134,440</u>	<u>359,134,440</u>
General Reserve		
Opening balance	102,280,563	77,280,563
Add: Transferred from surplus in the Consolidated Statement of Profit and Loss	-	25,000,000
Closing Balance	<u>102,280,563</u>	<u>102,280,563</u>
Surplus in the Consolidated Statement of Profit and Loss		
Opening balance	1,031,440,018	842,601,985
Add : Profit for the year	176,415,689	243,750,994
Less : Proposed dividend (Previous year : Re. 0.70)	-	24,853,395
Tax on dividend	-	5,059,566
Transferred to General reserve	-	25,000,000
Sub Total	<u>-</u>	<u>54,912,961</u>
Closing balance	<u>1,207,855,707</u>	<u>1,031,440,018</u>
Total	<u>1,669,270,710</u>	<u>1,492,855,021</u>

In respect of the year ended 31st March 2017, The Board of Directors proposed that a dividend of Rs. 0.50/- (i.e. 25 %) per share be paid on fully paid equity shares. This equity dividend is subject to approval by shareholders at the Annual General meeting and has not been included as a liability in these consolidated financial statements. The proposed equity dividend is payable to all holders of fully paid equity shares. The total estimated equity dividend to be paid is Rs. 17,752,925/-

	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
Note 5 :Deferred tax Assets (net)		
Deferred Tax Liability		
Depreciation	(18,657,227)	(16,200,098)
	<u>(18,657,227)</u>	<u>(16,200,098)</u>
Deferred Tax Asset		
Provision for doubtful debts / advances	21,004,246	5,728,249
Disallowances under section 43B of the income tax act	2,980,521	5,442,317
Provision for gratuity	401,854	5,475,960
Under section 40 (a) (ia) of the income tax act	14,887,289	14,607,419
Provision for inventory obsolescence	19,637,497	22,883,923
	<u>58,911,407</u>	<u>54,137,868</u>
Deferred tax Assets (net)	<u>40,254,180</u>	<u>37,937,770</u>

Notes forming part of the consolidated financial statements

	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
Note 6 : Other long-term liabilities		
Security deposits received	1,034,812	530,282
	<u>1,034,812</u>	<u>530,282</u>
Note 7: Long-term provisions		
Provision for employee benefits		
- Provision for gratuity	-	9,033,881
- Provision for leave encashment	4,351,927	11,885,228
Total	<u>4,351,927</u>	<u>20,919,109</u>
Note 8: Short-term borrowings		
Balances with banks		
- In cash credit accounts	114,764,266	-
Total	<u>114,764,266</u>	<u>-</u>
Cash Credit accounts and Bills Discounting facility with banks are secured by first pari passu charge on the current assets of the Company.		
Note 9: Total outstanding dues of Micro enterprises and small enterprises	64,210,008	61,184,406
Note: The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 have been made on the basis of confirmations received from suppliers regarding their status under the said Act which has been relied upon by the auditors and is as under:		
Particulars	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
	Rupees	Rupees
Outstanding principal Amount and Interest as on 31st March 2017		
- Principal Amount	64,210,008	61,184,406
- Interest due thereon	-	-
Amount of interest paid along with the amounts of payment made beyond the appointed day	-	-
Amount of interest due and payable (where the principal has already been paid but interest has not been paid)	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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 MSMED Act	-	-
	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
Note 10: Other current liabilities		
Unpaid dividends	858,530	868,652
Statutory dues	21,767,915	21,452,998
Disputed demand of V.A.T. / C.S.T. authorities (Refer note 29)	2,139,621	7,905,469
Provision for gratuity	1,215,419	7,000,000
Advances from customers	3,573,021	5,618,594
Others	6,206,250	8,475,000
Total	<u>35,760,756</u>	<u>51,320,713</u>
Note 11: Short-term provisions		
Provision for employee benefits		
- Provision for leave encashment	3,807,343	3,454,484
	<u>3,807,343</u>	<u>3,454,484</u>
Other provisions		
- Income-tax (net of advance tax)	9,073,784	14,770,887
- Proposed dividend	-	24,853,395
- Corporate dividend tax	-	5,059,566
	<u>9,073,784</u>	<u>44,683,848</u>
Total	<u>12,881,127</u>	<u>48,138,332</u>

Notes forming part of the consolidated financial statements

Note 12: Property, plant and equipment

(Rupees)

Nature of assets	Gross block			Depreciation / Amortisation			Net block		
	As at 1 st April, 2016	Additions	Deletions / Adjustments	As at 31 st March, 2017	Upto 31 st March, 2016	For the year	Deletions	Upto 31 st March, 2017	As at 31 st March, 2017
A. Tangible assets									
Office Premises	190,343,442 (190,343,442)	- (-)	- (-)	190,343,442 (190,343,442)	36,559,576 (33,725,023)	2,826,807 (2,834,553)	- (-)	39,386,383 (36,559,576)	150,957,059 (153,783,866)
Equipments	5,243,559 (5,126,409)	74,656 (117,150)	- (-)	5,318,215 (5,243,559)	2,161,734 (1,818,391)	283,654 (343,343)	- (-)	2,445,388 (2,161,734)	2,872,827 (3,081,825)
Electrical installations	2,435,364 (2,435,364)	- (-)	- (-)	2,435,364 (2,435,364)	988,254 (688,588)	298,845 (299,666)	- (-)	1,287,099 (988,254)	1,148,265 (1,447,110)
Furniture and Fixtures	25,136,651 (24,056,894)	487,021 (1,079,757)	35,651 (-)	25,588,021 (25,136,651)	11,185,953 (8,614,816)	2,654,065 (2,571,137)	35,651 (-)	13,804,367 (11,185,953)	11,783,654 (13,950,698)
Office equipment	47,699,392 (40,902,442)	6,692,100 (10,133,986)	2,206,833 (3,337,036)	52,184,659 (47,699,392)	30,796,522 (24,447,745)	8,319,817 (9,655,607)	2,163,384 (3,306,830)	36,952,955 (30,796,522)	15,231,704 (16,902,870)
Vehicles	3,710,749 (4,960,749)	1,523,842 (-)	- (1,250,000)	5,234,591 (3,710,749)	2,259,327 (2,113,650)	293,369 (341,604)	- (195,927)	2,552,696 (2,259,327)	2,681,895 (1,451,422)
Total A	274,569,157 (267,825,300)	8,777,619 (11,330,893)	2,242,484 (4,587,036)	281,104,292 (274,569,157)	83,951,366 (71,408,213)	14,676,557 (16,045,910)	2,199,035 (3,502,757)	96,428,888 (83,951,366)	184,675,404 (190,617,791)
B. Intangible assets									
Computer Software	8,683,687 (8,577,631)	54,000 (122,941)	- (16,885)	8,737,687 (8,683,687)	7,019,605 (6,276,165)	608,700 (760,325)	- (16,885)	7,628,305 (7,019,605)	1,109,382 (1,664,082)
Total B	8,683,687 (8,577,631)	54,000 (122,941)	- (16,885)	8,737,687 (8,683,687)	7,019,605 (6,276,165)	608,700 (760,325)	- (16,885)	7,628,305 (7,019,605)	1,109,382 (1,664,082)
Grand Total A+B	283,252,844 (276,402,931)	8,831,619 (11,453,834)	2,242,484 (4,603,921)	289,841,979 (283,252,844)	90,970,971 (77,684,378)	15,285,257 (16,806,235)	2,199,035 (3,519,642)	104,057,193 (90,970,971)	185,784,786 (192,281,873)
Previous year									

Figures in brackets pertain to the previous year.

Notes forming part of the consolidated financial statements

	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
Note 13: Goodwill on consolidation		
Opening Balance	153,496,461	153,496,461
Total	153,496,461	153,496,461
Note 14: Long-term loans and advances (unsecured)		
(a) Considered good:		
Security deposits	16,578,933	15,885,443
Service tax input credit receivable	9,638,129	6,738,479
Advance payment of taxes (net of provision)	-	39,175
Customs duties paid under protest (Refer note 28)	6,543,161	6,543,161
Capital Advances	220,000	275,000
	<u>32,980,223</u>	<u>29,481,258</u>
(b) Considered doubtful:		
Customs duties recoverable	5,696,262	5,696,262
Less: Provision	5,696,262	5,696,262
	<u>-</u>	<u>-</u>
Total	32,980,223	29,481,258
Note 15: Current Investments (at lower of cost and fair value)		
Investment in mutual fund (unquoted)		
NIL (Previous year 33,986.9380 units of Indiabulls Liquid Fund - Existing Plan Growth)	-	50,000,000
	<u>-</u>	<u>50,000,000</u>
Aggregate value of investments		
At cost	-	50,000,000
Repurchase value	-	50,047,975
Note 16: Inventories (valued at lower of cost and net realisable value)		
Raw materials	20,199,107	36,315,012
Finished Goods	24,470,023	-
Traded goods [including Goods-in-transit Rs. 46,337,051/- (Previous year Rs. 236,713,355/-)]	649,188,622	960,690,731
Total	693,857,752	997,005,743
Note 17: Trade receivables (Unsecured)		
a Trade receivables outstanding for a period exceeding six months from the date they were due to payment		
Considered good	113,072,112	342,000
Considered doubtful	54,761,816	7,191,848
	<u>167,833,928</u>	<u>7,533,848</u>
Less: Provision for doubtful trade receivables	(54,761,816)	(7,191,848)
	<u>113,072,112</u>	<u>342,000</u>
b Other Trade receivables		
Considered good	1,430,226,140	1,716,705,955
Considered doubtful	76,187	3,389,143
	<u>1,430,302,327</u>	<u>1,720,095,098</u>
Less: Provision for doubtful trade receivables	(76,187)	(3,389,143)
	<u>1,430,226,140</u>	<u>1,716,705,955</u>
Total	1,543,298,252	1,717,047,955
Note 18: Cash and Cash equivalents		
Cash on hand	1,012	51,017
Balances with banks		
- In current accounts	18,860,810	70,031,394
- In deposit accounts	17,089,342	21,292,071
- In earmarked accounts	-	-
- Unpaid dividend accounts	862,772	871,481
	<u>36,812,924</u>	<u>92,194,946</u>
Total	36,813,936	92,245,963

Notes forming part of the consolidated financial statements

	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
Note 19 : Short-term loans and advances (Unsecured)		
a) Considered good :		
Service tax input credit receivable	309,920	1,082,741
Customs and other duties recoverable	21,198,777	12,115,162
Prepaid expenses	14,644,658	10,911,600
Advances to suppliers	3,703,696	16,387,310
Excess remuneration paid to erstwhile Managing Director of the subsidiary Company (Refer note 43)	-	13,300,838
Excess remuneration recoverable from a Director (Refer note 44)	1,525,554	-
Advances to employees	2,023,926	1,419,029
	43,406,531	55,216,680
b) Considered doubtful:		
Security Deposits	292,110	292,110
Less: Provision	(292,110)	(292,110)
	-	-
Total	43,406,531	55,216,680
Note 20 : Other Current Assets		
Deferred premium on foreign exchange forward contracts	430,063	4,032,833
Interest accrued on deposits	369,326	225,542
Total	799,389	4,258,375
	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
	Rupees	Rupees
Note 21: Revenue from operations		
Sale of products (Refer Note (i) below)	6,949,296,920	6,987,384,233
Sale of services (Refer Note (ii) below)	200,595,725	214,658,348
Other operating revenues (Refer Note (iii) below)	21,663,103	12,253,218
Total	7,171,555,748	7,214,295,799
Notes:		
(i) Sale of products comprises of		
Finished goods		
- Electronic products	117,035,097	8,874,675
Traded goods		
- Networking products	6,832,261,823	6,978,509,558
	6,949,296,920	6,987,384,233
(ii) Sale of services comprises of		
- Export Services relating to network security software	185,315,125	198,242,637
- Domestic Services relating to network security software	7,624,800	7,626,000
- Others	7,655,800	8,789,711
	200,595,725	214,658,348
(iii) Other operating revenues		
- Duty drawback	17,376,482	8,558,072
- Others	4,286,621	3,695,146
	21,663,103	12,253,218
Note 22: Other income		
Interest		
- On fixed deposits with banks	592,942	919,398
- On delayed payments by customers	2,674,518	1,571,481
- On Income-tax refund	95,036	-
- On others	-	60,102
	3,362,496	2,550,981

Notes forming part of the consolidated financial statements

	For the Year Ended 31st March, 2017	For the Year Ended 31st March, 2016
	Rupees	Rupees
Note 22: Other income (contd.)		
Profit on sale of current investments (non-trade) (net)	3,334,832	6,533,343
Sundry balances written back	5,810,141	246,650
Profit on sale of fixed Assets	22,796	37,331
Provision for doubtful debts written back (net)	-	5,482,917
Exchange gain (net)	9,610,841	-
Miscellaneous income	18,806	568
Total	22,159,912	14,851,790
Note 23: Cost of materials consumed		
Opening stock	36,315,012	-
Add: Purchases	93,222,021	43,910,988
Less: Closing stock	20,199,107	36,315,012
Total	109,337,926	7,595,976
Raw material consumed comprises of:		
Integrated circuits	46,925,578	3,155,470
Power Adaptor	12,587,375	846,266
Smartcard	5,161,296	797,823
Remote	5,129,222	390,902
PCB	4,789,198	323,529
Others	34,745,257	2,081,986
Note 24: Changes in inventories of traded goods		
<u>Closing Stock</u>		
Finished Goods	24,470,023	-
Traded Goods	649,188,622	960,690,731
	673,658,645	960,690,731
<u>Less: Opening Stock</u>		
Traded goods	960,690,731	781,218,460
	960,690,731	781,218,460
Decrease / (Increase)	287,032,086	(179,472,271)
Note 25: Employee benefits expense		
Salaries, wages and bonus	412,367,370	406,462,503
Contribution to provident and other funds	597,288	16,372,707
Staff welfare expenses	10,242,309	11,402,875
Total	423,206,967	434,238,085
Note 26: Finance Cost		
Interest		
- On cash credit accounts	3,771,464	2,058,004
- On delayed payments of Income-tax / service tax	1,182,144	1,744,500
- On others	160,376	-
Total	5,113,984	3,802,504
Note 27: Other Expenses		
Sales and customer support services	4,421,335	5,889,177
Power	10,480,069	11,105,216
Rent	47,948,530	45,453,594
Rates and taxes	2,101,368	3,169,637
Insurance	15,296,613	10,534,923
<u>Repairs and maintenance:</u>		
- Office premises	4,390,471	4,597,310
- Others	6,019,309	4,728,508
	10,409,780	9,325,818
Travelling and conveyance expenses	30,935,912	31,991,647
Communication expenses	12,749,553	10,479,991

Notes forming part of the consolidated financial statements

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Rupees	Rupees
Note 27: Other Expenses (contd.)		
Advertisement and sales development expenses	99,907,114	94,882,411
Commission on sales	118,933,394	127,321,270
Servicing expenses	40,786,348	44,843,019
Fixed assets Written off	-	30,206
Provision for doubtful debts and advances (net of amounts written back)	44,257,012	-
Exchange loss (net)	-	19,288,171
Legal and professional fees	33,148,645	46,107,000
Bad debts / Advances written off	3,260,000	1,329,541
Expenditure on Corporate Social Responsibility (Refer note 41)	1,601,250	-
Miscellaneous expenses	40,622,183	32,153,131
Total	516,859,106	493,904,752

Note 28: Contingent liabilities

Contingent liabilities of the Parent Company, in respect of Custom duty paid under protest. The same is included under "customs duties paid under protest" in note no. 14 pending resolution of the dispute.

The trading material / software imported are subjected to different rates of customs duty based on classification under respective Tariff Head. The Customs department has objected to the classifications adopted for certain items and has demanded additional duty for the same. The differential duty has been paid under protest. The matter is pending with Central Excise and Service Tax Appellate Tribunal for hearing.

Disputed demand on the Parent Company from commercial tax officer Margao, Government of Goa, towards value added tax (VAT) / central sales tax (CST)

The Parent Company had filed appeal against the assessment order before the Additional Commissioner of Commercial Taxes, Panaji-Goa requesting for Stay of the recovery of disputed amount of tax pertaining to non submission of C-Forms, demanded for the Assessment Year 2009-10. The Parent Company is awaiting personal hearing from the Additional Commissioner of Commercial Taxes.

Note 29: The Parent company had disputed the demands from the commercial tax office Margao, Government of Goa towards VAT / CST, mainly relating to 'C' forms from customers, aggregating Rs. 1,438,773/- (Previous year Rs. 5,676,097/-), including interest aggregating Rs. 700,848/- (Previous year Rs. 2,229,372/-). The Company, out of abundant caution has provided for the aforesaid demands (Refer note 10), but is pursuing the matter in appeal with the authorities and is hopeful of succeeding in the appeal.

Note 30:

- a) The Parent Company enters into foreign exchange forward contracts to offset the foreign currency risk arising from the amounts denominated in currencies other than the Indian rupee. The counter party to the Parent Company's foreign currency forward contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments.

The following are the outstanding forward exchange contracts entered into by the Parent Company:

Currency	Amount Outstanding at year end in Foreign currency	Amount outstanding at year end in Rupees	Exposure to Buy / Sell
US Dollar	2,500,000	168,318,750	Buy
	(10,000,000)	(671,075,000)	Buy

Figures in brackets pertains to the previous year

- b) The year-end foreign currency exposures that have not been specifically hedged by a derivative instrument or otherwise are given below:
Amount receivable in foreign currency on account of the following:

	As at 31st March, 2017		As at 31st March, 2016	
	In Foreign Currency	In Rupees	In Foreign Currency	In Rupees
Receivables	USD 768,365	49,816,959	USD 796,676	52,779,777

Amount payable in foreign currency on account of the following:

	As at 31st March, 2017		As at 31st March, 2016	
	In Foreign Currency	In Rupees	In Foreign Currency	In Rupees
Payables	USD 2,354,775	152,695,287	USD 7,602,700	503,743,244

Notes forming part of the consolidated financial statements

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Rupees	Rupees
Note 31: Payment to Auditors (exclusive of service tax)		
<i>As Auditors</i>		
For Statutory Audit	2,500,000	2,500,000
For Limited Review	600,000	600,000
For Audit of financial information for the calendar year end	300,000	300,000
<i>Others</i>		
For Taxation matters	350,000	300,000
For Other services - certification etc.	80,000	1,540,000
For Reimbursement of expenses	10,431	67,654
Total	3,840,431	5,307,654
Note 32		
(a) Details of purchases		
Raw materials	93,222,021	43,910,988
Traded goods - Networking products	5,555,066,465	6,076,327,006
(b) Details of inventory		
Raw materials	20,199,107	36,315,012
Finished Goods	24,470,023	-
Traded goods - Networking products	649,188,622	960,690,731
	As at 31st March, 2017	As at 31st March, 2016
Note 33:		
A The disclosure as required under Accounting Standard 15 on 'Employee Benefits' (AS-15) regarding the group's defined benefit plan is as follows:		
I. Reconciliation of opening and closing balances of Defined Benefit obligation	Gratuity (funded)	Gratuity (funded)
Defined Benefit obligation at the beginning of the year	41,532,053	31,460,346
Current Service Cost	8,203,791	8,785,319
Interest Cost	3,052,755	2,431,621
Actuarial (gain) / loss	(15,901,522)	(814,532)
Benefits paid	(1,220,804)	(330,701)
Defined Benefit obligation at the end of the year	35,666,273	41,532,053
II. Reconciliation of opening and closing balances of fair value of plan assets		
Fair value of plan assets at beginning of the year	25,498,172	22,263,004
Expected return on plan assets	2,328,949	1,808,702
Actuarial (loss) / gain	487,067	(253,984)
Employer contribution	8,559,342	2,011,151
Benefits paid	(1,220,804)	(330,701)
Fair value of plan assets at year end	35,652,726	25,498,172
III Reconciliation of fair value of assets and obligations		
Present value of obligation as at 31st March, 2016.	35,666,273	41,532,053
Fair value of plan assets as at 31st March, 2016.	35,652,726	25,498,172
Amount recognized in Balance Sheet	(13,547)	(16,033,881)
IV Expense recognized during the year (Under the head employee benefits expenses)		
Current Service Cost	8,203,791	8,785,319
Interest Cost	3,052,755	2,431,621
Expected return on plan assets	(2,328,949)	(1,808,702)
Actuarial (gain) / loss	(16,388,589)	(560,548)
Net Cost	(7,460,992)	8,847,690

Notes forming part of the consolidated financial statements

	As at 31st March, 2017	As at 31st March, 2016
	Rupees	Rupees
V Actuarial assumptions		
Discount rate (per annum)	6.89-7.33%	7.46%
Expected rate of return on plan assets (per annum)	8.00%	8.00%
Rate of escalation in salary (per annum)	12.00%	17-21%
Employee Attrition Rate	5-15%	5-15%

VI The assumptions of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment. From the current year the salary escalation have been dropped on account of market / industry conditions. The rate of escalation of 12% is intended to be the reasonable expectation in the future as well.

The amounts of the present value of the obligation, fair value of the plan assets, surplus or deficit in the plan, experience adjustments arising on plan liabilities and plan assets are furnished below;

	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Experience Adjustment			
a. due to change in Actuarial assumption	(9,206,554)	1,742,841	12,023,791
b. Experience (Gain) / Loss on obligation	(6,694,968)	(2,557,373)	(461,819)
c. Actuarial gain / (loss) on plan assets	539,768	(253,984)	60,461
Present value of benefit obligation	35,666,273	41,532,053	31,460,346
Fair value of plan assets	35,652,726	25,498,172	22,263,004
Excess of (obligation over plan assets) / plan assets over obligation	(13,547)	(16,033,881)	(9,197,342)

VII The parent company operates a funded gratuity plan for qualifying employees which is managed by Bajaj Allianz Life Insurance Company and subsidiary company operates a funded gratuity plan for qualifying employees which is managed by Life Insurance Corporation of India. Under the respective plans, the employees entitled to gratuity benefits based on final salary at retirement. The respective company makes provision in the books based on third party actuarial valuation.

The details of the composition of the plan asset, by category, from the insurers have not been received and hence the disclosures as required by Accounting Standards (AS)-15 in "Employee benefits" have not been given.

The contributions expected to be made by the Group during the financial year 2017-18 is Rs. 4,215,419/-.

B The disclosure as required under AS-15 regarding the group's defined contribution plans is as follows:

i) Contribution to provident fund Rs. 8,058,280/- (Previous year Rs. 7,515,133/-)

Note 34: Lease transactions

Operating leases

The group has taken premises on cancellable operating lease basis. The tenure of the agreement ranges from 24 to 60 months. There are no renewal and escalation clauses in these agreements.

The lease rentals for the year charged to revenue are Rs. 47,948,530/- (Previous year Rs. 45,453,594/-)

Note 35: Related party disclosures

a) Name of related parties where control exists

D-Link Holding Mauritius Inc.	Holding Company
D-Link Corporation, Taiwan	Ultimate Holding Company

b) List of related parties with whom transactions have taken place during the year and nature of relationship

Name of the related parties	Nature of relationship
D-Link Corporation	Ultimate Holding Company
D-Link (Europe) Ltd.	Fellow Subsidiary
D-Link International (Singapore)	Fellow Subsidiary
D-Link Canada Inc.	Fellow Subsidiary
D-Link Middle East-FZCO	Fellow Subsidiary
D-Link Japan K K (DJP)	Fellow Subsidiary
D-Link International Pte. Ltd.	Fellow Subsidiary
D-Link Latin America Company Ltd.	Fellow Subsidiary
D-Link Brazil LTDA	Fellow Subsidiary
D-Link Australia Pty. Limited	Fellow Subsidiary
D-Link Systems Inc.	Fellow Subsidiary
D-Link Latin America - DLABR	Fellow Subsidiary
TeamF1 Inc., USA	Entity on which Key Management Person was / Director of Holding Company exercise significant influence
Mr. Yao Chuan Yang (Gary Yang)	Key management person
Mr. Tushar Sighat	Key management person
Mr. Vinai Kolli	Key management person of Subsidiary [upto 31st July 2016]
Mrs. Annapurna K Kolli	Spouse of Mr. Vinai Kolli [in employment upto 4th February 2016]

Notes forming part of the consolidated financial statements

(c) Details of transactions with related parties during the year:

(Rupees)

Nature of transactions	Ultimate Holding Company / Holding Company	Fellow Subsidiary	Key management person / Relative of Key management person	Entity on which KMP was / Director of Holding Company exercised significant influence	Total
Purchase of traded goods					
D-Link International (Singapore)		3,713,678 (5,052,976)			3,713,678 (5,052,976)
D-Link International Pte. Ltd.		2,570,351,417 (3,301,249,510)			2,570,351,417 (3,301,249,510)
D-Link Corporation	637,823 (1,024,201)				637,823 (1,024,201)
Others		11,852,334 (39,370,115)			11,852,334 (39,370,115)
Sale of products					
D-Link International (Singapore)		5,819,457 (75,162)			5,819,457 (75,162)
D-Link Middle East-FZCO		12,807,412 (339,488)			12,807,412 (339,488)
D-Link Latin America		2,687,795 (993,624)			2,687,795 (993,624)
D-Link Corporation	616,612 (-)				616,612 (-)
D-Link Japan K K		- (559,564)			- (559,564)
Sale of Software Services					
D-Link International (Singapore)		182,931,642 (192,149,953)			182,931,642 (192,149,953)
TeamF1 Inc., USA				2,383,483 (6,092,684)	2,383,483 (6,092,684)
Purchase of fixed Assets					
TeamF1 Inc., USA				- (132,405)	- (132,405)
Professional fees paid					
D-Link Corporation	12,722,978 (15,695,941)				12,722,978 (15,695,941)
Reimbursement of expenditure to					
D-Link Corporation	1,282,875 (304,454)				1,282,875 (304,454)
D-Link International Pte. Ltd.		506,556 (359,061)			506,556 (359,061)
D-Link International (Singapore)		- (552,355)			- (552,355)
D-Link Systems Inc		- (6,383)			- (6,383)
Reimbursement of expenditure from					
D-Link International Pte. Ltd		- (97,302)			- (97,302)
D-Link Holding Mauritius Inc.	- (193,426)				- (193,426)
D-Link Middle East-FZCO		9,313 (45,061)			9,313 (45,061)

Notes forming part of the consolidated financial statements

(c) Details of transactions with related parties during the year (contd.) (Rupees)

Nature of transactions	Ultimate Holding Company / Holding Company	Fellow Subsidiary	Key management person / Relative of Key management person	Entity on which KMP was / Director of Holding Company exercised significant influence	Total
TeamF1 Inc., USA				-	-
				(277,514)	(277,514)
Managerial Remuneration					
Mr. Yao Chuan Yang (Gary Yang)			4,930,465		4,930,465
			(3,096,809)		(3,096,809)
Mr. Tushar Sighat			27,021,114		27,021,114
			(21,002,923)		(21,002,923)
Mr. Vinai Kolli (K.M.P. of Subsidiary)			4,338,710		4,338,710
			(12,000,000)		(12,000,000)
Salaries					
Mrs. Annapurna K Kolli - HR Technical			-		-
			(383,826)		(383,826)
Dividend paid					
D-Link Holding Mauritius Inc.	12,680,264				12,680,264
	(12,680,264)				(12,680,264)
Mr. Tushar Sighat				11,499	11,499
				(11,499)	(11,499)
As at the year end					
Amount due to					
D-Link International Pte. Ltd		169,572,163			169,572,163
		(1,048,634,285)			(1,048,634,285)
D-Link International (Singapore)		10,575			10,575
		(1,916,074)			(1,916,074)
D-Link Corporation	11,731,193				11,731,193
	(13,988,125)				(13,988,125)
TeamF1 Inc., USA				97,268	97,268
				(1,268,277)	(1,268,277)
Others		663,744			663,744
		(26,836,494)			(26,836,494)
Amount due from					
D-Link Middle East-FZCO		239,890			239,890
		(-)			(-)
D-Link International (Singapore)		19,684,431			19,684,431
		(1,921,250)			(1,921,250)
Mr. Tushar Sighat				1,525,554	1,525,554
				(-)	(-)
Other		104,972			104,972
		(-)			(-)
Minority Interest					
D-Link Holding Mauritius Inc.	6,049				6,049
	(4,348)				(4,348)

Figures in brackets pertain to previous year.

Note 36: Segment Information

(A) Segment information for primary reporting (by business segment)

The Group is primarily engaged in marketing and distribution of D-Link branded Networking products and related services. The reporting segment for the Group, therefore, is the business segment, viz. networking products and related services.

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

The Group's operations are mainly confined within India and as such there are no reportable geographical segments.

Notes forming part of the consolidated financial statements

Note 37:

Earnings per share is calculated by dividing the profit attributable to the Equity shareholders by the weighted average number of Equity shares outstanding during the year, as under:

	Year ended 31st March, 2017	Year ended 31st March, 2016
Profit attributable to equity shareholders (Rupees)	176,415,689	243,750,994
Weighted average number of Equity Shares outstanding during the year	35,504,850	35,504,850
Basic/ diluted earnings per share (Rupees)	4.97	6.87
Nominal value per share (Rupees)	2.00	2.00

Note 38: Other disclosures

	Current year		Previous year	
	Rs.	% age to total consumption	Rs.	% age to total consumption
a) <u>Raw material consumed</u>				
imported	84,634,973	77%	5,164,967	68%
indigenous	24,702,953	23%	2,431,009	32%
	109,337,926	100%	7,595,976	100%

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
	Rupees	Rupees
b) <u>C.I.F. value of goods imported</u>		
Raw material	63,714,216	37,088,172
Traded goods	3,056,778,257	3,792,187,602
Capital goods	2,506,178	132,405
c) <u>Expenditure in foreign currency</u>		
Travelling expenses	182,430	1,071,681
Professional Fees	12,847,358	14,046,926
Others	10,881,263	6,975,935
d) <u>Earnings in foreign exchange</u>		
F.O.B. value of exports	187,923,778	223,099,494
Export Services	185,315,125	198,242,637
e) <u>Amount remitted during the year in foreign currency on account of dividend</u>		
Number of non-resident shareholders	2	3
Number of shares held by them on which dividend is due	18,164,663	18,214,663
Year to which dividend relates	2015-16	2014-15
Amount of dividend remitted in Rupees	12,715,264	12,750,264

Other than the above, the Company has not remitted any amount in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividend have been made by non- resident shareholders.

Note 39:

During the previous year there had been a change in the sick leave policy of the subsidiary company whereby unutilised and accumulated sick leave was not allowed to be carried forward. Consequent to this change an amount of Rs. 4,862,107/- representing provision for sick leave as on 31st March 2015 had been reversed in the previous year, and accordingly the provision for sick leave was lower by Rs. 4,862,107/- and the Consolidated profit for the year was higher by the same amount.

Note 40: Details of Specified Bank Notes (SBN's) held and transacted during the period from 8th November 2016 to 30th December 2016:

(Amount in Rs.)

Particulars	SBNs	Other denomination notes	Total
Closing cash on hand as on 8th November 2016	40,000	22,200	62,200
Add: Permitted receipts	-	12,600	12,600
Less : Permitted payments	-	(27,200)	(27,200)
Less: Amount deposited in banks	(40,000)	(4,500)	(44,500)
Closing cash on hand as on 30th December 2016	-	3,100	3,100

Notes forming part of the consolidated financial statements

Note 41:

As per the provisions of section 135 of the Companies Act, 2013, the Parent Company is required to spend during the year Rs. 5,832,711/- (Previous year Rs. 4,872,636/-) towards Corporate Social Responsibility (CSR) activities. The Parent Company has spent Rs. 1,601,250 (Previous year - NIL) during the year in line with the CSR policy of the company.

Note 42:

Name of the entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
TeamF1 Networks Private Limited	3.64% (2.91%)	63,424,763 (455,509,201)	10.13% (11.80%)	17,863,861 (28,761,960)

Note 43:

The remuneration to Mr. Vinai Kolli (erstwhile Managing Director of subsidiary company) for the period from May 29, 2014 to March 31, 2015 was in excess of the limits specified in Schedule V of the Companies Act, 2013 by Rs. 9,053,856/-. The application made by the Subsidiary Company for approval of the excess remuneration paid was rejected on August 21, 2015 by the Central Government.

Similarly, his remuneration for the period from April 1, 2015 to August 31, 2015 was also in excess of the proportionate limits specified in Schedule V by Rs. 4,246,982/- and was also subject to approval by Central Government. The Subsidiary Company had filed a fresh application on March 3, 2016 for waiver of the recovery of excess remuneration for the entire period from May 29, 2014 to March 31, 2016. During the current year, the Subsidiary Company has received approval from the Central Government to pay remuneration of Rs. 9,000,000/- for the period from 01/06/2014 to 31/03/2015 and Rs. 5,000,000/- for the period 01/04/2015 to 31/08/2015. The Subsidiary Company has accordingly recovered the excess amount aggregating Rs. 751,667/- from Mr. Vinai Kolli.

Note 44:

Remuneration aggregating to Rs. 1,525,554/- paid to Mr. Tushar Singhat, Director of the Group company which was determined to be in excess of limits specified in Section 197 read with Schedule V of the Companies Act, 2013 is to be recover from the Director.

Note 45:

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification.

Signatures to Notes 1 to 45

For and on behalf of the Board of Directors

Gary Yang
Managing Director

Tushar Sighat
Executive Director & CEO

C. M. Gaonkar
Chief Financial Officer

Shrinivas Adikesar
Company Secretary

Mumbai, dated: 12th May, 2017

D-Link[®]
Building Networks for People

D-Link (India) Limited
CIN: L72900GA2008PLC005775

Registered office:
Plot No. U02B, Verna Industrial Estate
Verna, Goa – 403722, India
Tel: 0832-2885800 Fax: 0832-2885823

Corporate Office:
Kalpataru Square, 2nd Floor,
Unit No. 24, Kondivita Lane,
Off. Andheri Kurla Road,
Andheri East, Mumbai - 400059, India
Tel: 022-29215700 Fax: 022-28301901

www.dlink.co.in

D-Link (India) Limited

CIN No.: L72900GA2008PLC005775

Regd. office: Plot No. U02B, Verna Industrial Estate, Verna, Goa - 403722.

Ph. No.: 0832-2885800 • Email: shares@dlink.co.in • Website: www.dlink.co.in

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Ninth Annual General Meeting (AGM) of the members of D-Link (India) Limited ('the Company') will be held on Friday, 1st September, 2017 at 11:00 a.m. at Kesarval Gardens, Verna, Salcette, Goa - 403722, to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2017, together with the Reports of the Directors' and Auditor's thereon.
2. To consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2017 together with the Report of Auditors thereon.
3. To consider declaration of dividend for the financial year ended 31st March, 2017.
4. To consider re-appointment of Mr. Yao Chuan Yang (Mr. Gary Yang) (DIN: 02609366), who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
5. Ratification of appointment of Statutory Auditors:

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 141 and all other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder and ordinary resolution passed by the members at the Sixth Annual General Meeting, the appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountants (Registration No. 117366W/W-100018), as Auditors of the Company be and is hereby ratified for the financial year 2017-18, to hold office from the conclusion of this AGM till the conclusion of the next AGM of the Company and hereby authorize the Board of Directors to fix their remuneration."

SPECIAL BUSINESS:

6. Appointment of Ms. Madhu Gadodia as an Independent Director of the Company;

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Sections 149, 152, and any other applicable provisions of the Companies Act, 2013 read with the rules made thereunder (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force), Ms. Madhu Gadodia (DIN: 07583394), who holds office upto the date of this Annual General Meeting, be and is hereby appointed as the Independent Director of the Company for a period of 5 years i.e. upto 26th August, 2021."

7. Payment of Remuneration to Executive Director & CEO:

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

"RESOLVED THAT further to the ordinary resolution passed by the members of the Company at their 7th Annual General Meeting held on 29th August, 2015 according their consent for the appointment and remuneration of Mr. Tushar Sighat (DIN: 06984518) as Executive Director & CEO for 5 years with effect from 1st October, 2014 and in accordance with the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 ("the Act") read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications, amendments, enactment or re-enactment thereof for the time being in force) and, subject to the approval of the Central Government, if required, the approval of the members of the Company be and is hereby accorded for payment of remuneration to Mr. Tushar Sighat as Executive Director & CEO, as detailed in the explanatory statement annexed to this notice as minimum remuneration in case the Company has no profits or the profits

of the Company are inadequate during the remainder of the term of his appointment".

"RESOLVED FURTHER THAT any Director of the Company or the Company Secretary of the Company be and is hereby severally authorised to take such steps as may be necessary for obtaining necessary approvals, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute deeds, applications, documents and writings that may be required, on behalf of the Company and to do all such acts, deeds, matters and things as may be deemed necessary, proper, expedient or incidental for giving effect to this resolution."

**By order of the Board
For D-Link (India) Limited**

**Shrinivas Adikesar
Company Secretary**

Mumbai, Dated: 12th May, 2017

Registered Office:

Plot No. U02B, Verna Industrial Estate,
Verna, Goa - 403722, India.

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business is annexed hereto.
3. Body corporate can be represented at the meeting by such person(s) as are authorised. Copies of resolution under section 113 of the Companies Act, 2013, authorising such person(s) to attend the meeting should be forwarded to the Company prior to the meeting.
4. M/s Deloitte Haskins & Sells LLP, Chartered Accountant (Registration No. 117366W/W-100018) were appointed as the auditors of the Company for a period of 4 (four) years at the sixth AGM of the Company. As per provisions of Section 139(1) of the Act, their appointment for the above tenure is subject to ratification by Members at every AGM. The Audit Committee and the Board of Directors recommend the ratification of appointment of M/s Deloitte Haskins & Sells LLP, Chartered Accountant as Auditors of the Company to hold office from the conclusion of this Meeting till the conclusion of the next AGM. Accordingly, ratification by the Members is being sought for the proposal contained in the Resolution.
5. The Register of Members and the Share Transfer Register will remain closed for a period of 7 days from 29th July, 2017 to 4th August, 2017 (both days inclusive).

The dividend recommended by the Board, if approved by the shareholders at the 9th AGM, shall, be paid to those members whose names appear on the Register of Members during the aforesaid period.

6. The amount of dividend remaining unclaimed or unpaid for a period of 7 years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly, in the year 2016-17, the Company had transferred the unclaimed or unpaid dividend for the year ended 31st March, 2009 to IEPF. Unclaimed Dividend in respect of the financial year ended

31st March, 2010 will be due for transfer to Investor Education and Protection Fund on or after 9th October, 2017. The Members who have not encashed the dividend warrants for the earlier years so far are requested to send their claims, if any, to the Company / Share Transfer Agent immediately. Once the amount is transferred by the Company to IEPF, no claim thereof shall lie against the Company.

7. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
8. Members are requested to send their queries, if any on the operations of the Company, to reach the Company Secretary at the Company's Registered Office, atleast 5 days before the meeting, so that the information can be compiled in advance.
9. Members are requested to register their e-mail addresses through their Depository Participant where they are holding their Demat Accounts for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the Registrar and Transfer Agents, giving reference of Folio Number.
10. Details under Regulation 36(3) of SEBI Listing Regulations, 2015 in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice.
11. Electronic copy of the Annual Report for 2016-17 and notice of the AGM are being sent to all the members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2016-17 and notice of the AGM are being sent in the permitted mode.
12. Voting through electronic means:

A) Voting

1. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI Listing Regulations 2015, the Company is pleased to provide to its members facility to exercise their right to vote at the 9th AGM by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (remote e-voting). The business may be transacted through e-Voting Services provided by Karvy.

2. The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

B) General Instructions

- i) A member can opt for only one mode of voting, i.e. either by e-voting or through Ballot. In case of Member(s) who cast their votes by both modes, then voting done through e-voting shall prevail and the Ballot form of that member shall be treated as invalid.
- ii) Facility of voting through Poll paper shall also be made available at the Meeting. Members attending the Meeting, who have not already cast their vote by remote e-voting or through Ballot Form shall be able to exercise their right at the Meeting.
- iii) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date being Thursday, 24th August, 2017. A person who is not a Member as on the cut off date should treat this Notice for information purposes only.
- iv) Mr. Shivaram Bhat - Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- v) The e-voting period commences on Tuesday, 29th August, 2017 (9:00 am) and ends on Thursday, 31st August, 2017 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date i.e. Thursday, 24th August, 2017, may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently or cast the vote again.
- vi) Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of the cut-off date may obtain the login ID and password by sending a request at evoting@karvy.com However if you are already registered with Karvy for e-voting, then you can use your existing user ID and password/ PIN for casting your vote.
- vii) The Results along with the Scrutinizer's Report shall be placed on the Company's website www.dlink.co.in and on the website of Karvy immediately after the result are declared by the Chairman or any other person authorised by the Chairman, and the same shall be communicated to the BSE Limited and National Stock Exchange of India Limited.

ANNEXURE TO NOTICE

Statement pursuant to Section 102 of the Companies Act, 2013.

Item No. 6:

The Board of Directors, on the recommendation of Nomination and Remuneration Committee, appointed Ms. Madhu Gadodia as an Additional Director of the Company with effect from 27th August, 2016 under section 161(1) of the Companies Act, 2013 up to the date of this Annual General Meeting. Her appointment is subject to the approval of members. The Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing the candidature of Ms. Madhu Gadodia for the office of the Director.

Ms. Madhu Gadodia is a legal practitioner and Partner of Naik, Naik & Company. The Board of Directors of your Company recommend passing of the resolution in relation for appointment of Ms. Madhu Gadodia for the office of Director for a period of five years ie up to 26th August, 2021.

Except, Ms. Madhu Gadodia, none of the other Directors and Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, whether financial or otherwise, in the resolution.

Item No. 7:

The members of the Company at the Annual General Meeting held on 29th August, 2015, had by way of an ordinary resolution approved the appointment of Mr. Tushar Sighat as Executive Director & CEO of the Company for a period of five years with effect from 1st October, 2014 on the terms and conditions including payment of remuneration as below:

1. Basic Salary: Rs. 300,000/- per month with such annual increment in salary as may be decided by the Board or any Committee thereof, in its absolute discretion from time to time subject to a ceiling of Rs. 600,000/- per month.
2. Other Allowances: Rs. 600,000/- per month with such annual increment as may be decided by the Board or any Committee thereof, in its absolute discretion from time to time, subject to a ceiling of Rs. 1,200,000/- per month.
3. Performance linked variable pay and / or any other compensation as may be decided by the Board or any Committee thereof, in its absolute discretion from time to time and the same may be made on a pro-rata

basis every month or on an annual basis subject to maximum of Rs. 20,000,000/- per annum.

4. Perquisites: In addition to the Salary as set out above, the Executive Director & CEO shall be entitled to the following perquisites:
- House Rent Allowance equivalent to 40% of the Basic Salary.
 - Use of Company's car for official duties and telephone shall not be considered as perquisites.
 - Reimbursement of all Medical expenses upto maximum of Rs. 25 lakhs p.a.
 - Provident Fund and Gratuity as per the applicable laws and rules.
 - Earned Leave encashment as per the rules of the Company.
 - For the purpose of calculating the above perquisites, valuation shall be done as per Income Tax Act and Rules made thereunder, wherever applicable and in the absence of any such rule, perquisites shall be valued at actual cost.

The remuneration paid for the financial year 2016-17 and proposed to be paid is within the overall limits approved by the members of the Company at the Annual General Meeting held on 29th August, 2015 and the limits prescribed under prevailing Section II of Part II of Schedule V to the Companies Act, 2013 as amended from time to time. The remuneration proposed to be paid is reminder of term of his appointment not exceeding three years.

The Company has reported marginal decline in total revenues for the financial year 2016-17 on account of technological changes in the industry. During the financial year 2016-17, your company posted standalone gross revenue of Rs. 696.64 Crores as compared to Rs. 700.74 crores in the previous year. The standalone profit before tax stood at Rs. 24.30 Crores as compared to Rs. 33.19 crores in the previous year.

In view of the above, should the financial performance of the Company in the coming financial years do not improve, there is possibility of the Company having no profits or inadequate profits and such

remuneration can be paid in accordance with provisions of prevailing Schedule V as amended. In the event of inadequacy of profit, the payment of remuneration necessitate taking approval of the Central Government in accordance with Section 197 of the Companies Act 2013.

Pursuant to provisions of Section 197 of the Companies Act, 2013, if in any financial year a company has no profits or its profits are inadequate, payment of remuneration to its directors including any managing or whole time director may be made only in accordance with the provisions of Schedule V.

In the event of inadequate profits, the company may, subject to certain conditions, including the passing of a special resolution, may pay remuneration to its directors not exceeding double the limits prescribed in Section II of Part II of Schedule V to the Companies Act, 2013 as amended.

The Board recommends the Resolutions as set out in the accompanying Notice for your approval. Except Mr. Tushar Sighat, none of the Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise and do not have any conflict of interest in the Resolution.

The information as required to be disclosed under Section II of Part II of Schedule V to the Companies Act, 2013 is given in the Annexure to the Notice.

**By order of the Board
For D-Link (India) Limited**

**Shrinivas Adikesar
Company Secretary**

Mumbai, Dated: 12th May, 2017

Registered Office:

Plot No. U02B, Verna Industrial Estate,
Verna, Goa - 403722, India.

ANNEXURE TO THE NOTICE

[SCHEDULE V PART II SECTION II 1(B) (iv) OF THE COMPANIES ACT, 2013]

I. GENERAL INFORMATION

1. Nature of Industry

D-Link(India)Limited, is engaged in marketing and distribution of networking products in India and SAARC region. It offers products that extend across home, small-and-medium, and enterprise network equipment, including Ethernet switches, firewall security, wireless access points, Internet protocol (IP) surveillance cameras, networking storage, Internet of Things ("IoT") sensors, and structured cabling.

2. Date or expected date of commencement of commercial production

Not Applicable.

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

Not Applicable.

4. Financial Performance based on given indicators

(Amount In Crores)

Particulars	2017	2016	2015	2014	2013
Revenue	696.64	700.74	625.32	487.58	353.70
Other Income	2.15	1.39	1.56	1.12	0.58
Total Income	698.79	702.13	626.89	488.70	354.28
Expenditure	(673.32)	(667.11)	(592.31)	(465.84)	(334.22)
Interest	-	(0.36)	(0.46)	(0.82)	(0.18)
PBDT	24.30	34.66	34.11	22.05	19.88
Depreciation	-	(1.47)	(1.70)	(1.68)	(1.66)
PBT	24.30	33.19	32.41	20.37	18.22
Tax	(8.44)	(11.69)	(11.08)	(6.78)	(5.89)
Net Profit	15.86	21.50	21.33	13.58	12.33

5. Foreign investments or collaborations, if any

D-Link (India) Limited is part of D-Link Corporation one of the largest networking companies widely recognized as a global enterprise with active presence worldwide. D-Link Holding Mauritius Inc., a 100% subsidiary of D-Link Corporation, holds 51.02% shareholding in the Company as on 31st March, 2017.

II. INFORMATION ABOUT THE APPOINTEE:

a) Background details of Mr. Tushar Sighat

Mr. Tushar Sighat brings with him vast experience and domain expertise spanning over 26 years. In his current role, he is responsible for driving the company's growth, and play a strategic role in strengthening D-Link's position as a leader in networking solutions in India and SAARC region. Mr. Tushar Sighat has a B.E in Electronics & Telecommunication.

b) Past remuneration of Mr. Tushar Sighat

	2016-17	2015-16	2014-15
Salary and allowances	27,021,114	21,002,923	19,190,065
Contribution to Provident Fund	12% on Basic Salary		
Car	For official and personal use		
Telephone, Mobile, mediclaim and other amenities	As per the Company's rule		

c) Recognition or awards

Mr. Tushar Sighat has been consistently recognized for his leadership skills. D-Link's crowning glory was its selection by the Association Otherways Management & Consulting for the prestigious 'Majestic Five Continent Award for Quality & Excellence' and 'Total Quality Management Aptitude Seal' for its achievements and success and its unwavering commitment to quality. The award symbolised international recognition for the Company and was received by Mr. Tushar Sighat, D-Link India's Executive Director & CEO, at a high profile ceremony in Berlin, Germany in April, 2016.

d) Job profile and his suitability

As Executive Director & CEO, Mr Sighat will be responsible for the complete operations of D-Link in India and SAARC region, i.e, Sales operations, Manufacturing, Administration, Product warranty Service etc. Mr. Tushar has over 26 years of work experience and is a IT networking veteran. Under his leadership, the Company has grown and posted revenue to an all-time high since inception.

e) Remuneration proposed per annum

The remuneration paid / proposed to be paid is detailed hereinabove in the explanatory statement.

f) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person

The proposed remuneration is comparable and commensurate with the size and nature of the business of the Company and the responsibility of the appointee. The nomination and remuneration committee has taken into consideration of industry benchmark for payment of remuneration.

g) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any

Besides the remuneration proposed, no other pecuniary relationship exists. Mr. Tushar Sighat Holds 16,427 shares in the Company.

III. OTHER INFORMATION:

(1) Reasons of loss or inadequate profits

The Company has continuously shown growth over the years except for the last one quarter in the financial year ended 31st March 2017. Telecom Industries which is one of the segment of the Company was adversely

affected and witnessed an unprecedented disruption in the second half of the year on account of free voice and mobile data promotions by a new entrant. The change in technology has adversely impacted the profits of the Company.

(2) Steps taken or proposed to be taken for improvement

The Company continues to maintain and strengthen its market position both in terms of Revenue and profitability. The Company is expected to benefit from the government's vision of pan-India internet connectivity and its contribution in the upcoming smart city projects. The Company also expects to gain on wider product platform that will be backed by parent company which will result in improving the profitability.

(3) Expected increase in productivity and profits in measurable terms

Based on the above strategy, the Company expects to achieve improved level of turnover. The Company also expects higher turnover on upcoming smart city projects. Increase in turnover will result in the better utilization of resources and improved margin leading to improvement in profitability. This will enable the Company to achieve better performance in the current year as well as years ahead.

IV. DISCLOSURES:

The other relevant disclosures mentioned in the Board of Director's report under the heading "Corporate Governance", attached to the financial statement.

**By order of the Board
For D-Link (India) Limited**

**Shrinivas Adikesar
Company Secretary**

Mumbai, Dated: 12th May, 2017

Registered Office:

Plot No. U02B, Verna Industrial Estate,
Verna, Goa - 403722, India.

DETAILS OF DIRECTORS

Seeking appointment and re-appointment at the 9th Annual General Meeting (Pursuant to Regulation 36(3) of SEBI Listing Regulations 2015):

Name of Director	Ms. Madhu Gadodia	Mr Yao Chuan Yang (Mr. Gary Yang)
Date of Birth	8 th August, 1979	6 th March 1964
Date of Appointment	27 th August, 2016	30 th March 2009 (reappointed w.e.f. March 1, 2014 for 5 years)
Brief Resume	Ms. Madhu Gadodia, a partner of Naik Naik & Company, is a legal practitioner in the area of Technology, Media and Telecommunications (TMT) space and has advised on a number of film productions and major television shows. She has structured investment and production deals for more than 200 films in India. She is honors in Science and holds a Bachelor's degree in Law. Madhu is an accomplished media commentator and is frequently invited to speak at conferences and seminars. Madhu has successfully led her team in a series of high-stake litigations. She has represented clients litigations on copyright, trademark, film certification before Supreme Court, pan India High Courts, CCI and TDSAT.	Mr. Gary Yang is in-charge of India, Middle East and African countries for D-Link. Mr. Gary Yang hold the position of Vice President in D-Link International Singapore. Mr. Yang has contributed 27 years to the IT field of which he has worked for 23 years with D-Link. He possesses Bachelor's degree in Management from Cheng Kung University, Taiwan.
Disclosure of relationship between Director inter-se	None	None
Names of the listed entities in which she/he holds directorships.	None	None
Chairman/Member of the Committee(s) of Board of Directors of other listed entities.	None	None
Shareholding in the Company	Nil	Nil
No of meetings attended	Two board meetings held after her appointment	Five board meetings

**By order of the Board
For D-Link (India) Limited**

**Shrinivas Adikesar
Company Secretary**

Mumbai, Dated: 12th May, 2017

Registered Office: Plot No. U02B, Verna Industrial Estate,
Verna, Goa - 403722, India.