REF: DLK/L&S/2021-22/8-4

Date: August 10, 2021

To,
The Manager – Corporate Relationship Department
BSE Limited
25th Floor, P.J. Towers,
Dalal Street, Mumbai-400 001
Security Code: BSE - 533146

To,
The Manager - Corporate Compliance
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai- 400 051.
Symbol: NSE - DLINKINDIA

Sub: Submission of Annual Report for the Financial Year 2020-21.

Dear Sir/Madam,

In terms of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report for the financial year 2020-21.

The Annual Report along with the Notice of the Annual General Meeting is being sent to the shareholders of the Company through electronic mode whose e-mail addresses are registered with the Company / Depository Participants / Registrar and Transfer Agent.

The 13th Annual General Meeting ('AGM') of the Company will be held on Friday, September 3, 2021, at 11.00 a.m. (IST) through Video Conference / Other Audio-Visual Means.

The Annual Report of the Company is also available on the website of the Company at www.dlink.co.in

Kindly take the aforesaid information on record in compliance of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

Thanking You,

Yours faithfully,
For **D-LINK (INDIA) LIMITED**

SHRINIVAS ADIKESAR
COMPANY SECRETARY

D-Link®
Building Networks for People

Our innovations connect you to a world that is more powerful, more intelligent, more protected, and truly seamless.

D-Link (India) Limited
Annual Report 2020-21

Contents

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 **Chairman**

Dear Shareholders,

It has been a difficult year for everybody. As I write this, many parts of the world are in the grip of a second or a third wave of the pandemic. India witnessed a second wave, so much fiercer than anything last year. This health crisis has been truly unprecedented and of a kind not seen in generations. It is difficult to even fathom the sorrow of those who have suffered the loss of loved ones. Eventually, we will get this pandemic under control but till then, please do follow Covid protocols, get vaccinated if eligible and stay optimistic.

During the year, countries and regions such as India, Russia, and Europe implemented lockdown policies beginning March, 2020 affecting not only shipments but also equipment installation by system integrators. The year was further marked by enormous challenges of logistics, shortage of chips and other components caused by a surge in demand and slowdown in manufacturing. Yet another challenge was the increased input costs resulting from increase in commodity prices.

Your Company weathered the pandemic very well, with agility, resilience and responsiveness. Our motivated leadership worked quietly as the Company navigated these uncertain and rapidly changing times and delivered business results that we can look at with satisfaction.

While we go through this exceedingly testing time, the silver lining is that the current crisis has accelerated digitization. Work From Home (WFH) is the new normal, online purchasing is rising by the day, digital payments are taking over and consumers are embracing digital technology like never-before. As demand spirals for connectivity devices, there are broadened opportunities for brands like ours.

Enterprises are also working towards setting up network infrastructure to be more aligned with changing business dynamics. Encouraged by these developments; we remain optimistic and confident that we will stride over this phase that has adversely impacted the global economy. D-Link India looks forward to an exciting future wherein we continue to develop world-class networking solutions for years to come.

"Your Company weathered the pandemic very well, with agility, resilience and responsiveness. Our motivated leadership worked quietly as the Company navigated these uncertain and rapidly changing times and delivered business results that we can look at with satisfaction."

Beyond business, D-Link is well entrenched on the ESG movement and shall continue to enhance our Environmental, Social and Governance commitments by continuing our focus on solutions that serve businesses and communities.

We have demonstrated our commitment to Covid relief efforts by contributions to relief funds (PM CARES Fund and Chief Minister's Relief Fund-Covid 19, Maharashtra) and are focused on initiatives in areas like healthcare that make a constructive contribution to the community.

Despite the ferocity with which the second wave of the pandemic has hit us, we are in better shape today than at the start. With the plethora of vaccines and new therapies at our disposal today, we are not as helpless as when the pandemic first struck. I am confident that we shall overcome this soon with discipline, focus and fortitude.

I am proud that our employees displayed rare commitment and dedication to serve our clients during the year. I am grateful to our Board members, our management team, our customers, shareholders, partners and associates for their unwavering support.

Do take care and stay safe. ■

Warm regards,

Sincerely,

Hung-Yi Kao
Chairman

Tushar Sighat, Managing Director & CEO

Message from **Managing Director & CEO**

Dear Shareholders,

The year 2020-21 has been challenging for all of us. The COVID-19 pandemic has significantly impacted the way we live and work as well as our business. The operational challenges assumed another level with supply disruptions and restrictions on movements, caused by lockdowns.

We adapted quickly, responding with speed and agility; and after the initial impact from lockdown-related disruptions, swiftly returned to a steady business trajectory. Our financial performance for the fiscal year is a reflection of that strong resilience and adaptability.

For the financial year ended 31st March, 2021, our Standalone Revenues stood at ₹71,067.57 lakh, marginally lower from ₹72,552.56 lakh in the previous year. Our Profit Before Depreciation and Tax stood at ₹4,353.10 lakh as against ₹5,218.28 lakh in the previous year while Profit After Tax during the year under review was ₹2,932.19 lakh as against ₹3,408.19 lakh in the previous year.

Globally, businesses are going through tough and unprecedented times with the ongoing pandemic that has impacted millions of lives. The outbreak has led to introspection with enterprises re-evaluating their long-term business strategies. We have also devised a Business Continuity Plan that takes into account deep micro-level factors and aligns with the changing environment to ensure operational efficiency, build resilience and create a sustainable business. We have also put in place a risk mitigation strategy, which is particularly strong given our diversified product portfolio and formidable presence across diverse industry segments.

Today, the world is seeing a technology transformation driven by cloud and digital adaptation of business models that are changing the way we live and work and relate to one another over digital channels. We recognise this reality and are investing in designing and developing the right products and solutions required for accelerating digital transformation. Simultaneously, we are ensuring that our own digital infrastructure enables our employees to Work From Home seamlessly and be highly productive. We are working towards an enterprise-wide adoption of digital culture across all disciplines to ensure the finest customer experience. In fact, we are going a step further. We are providing training to our partners on how to leverage digital technology to upgrade their skills, so they can do cutting-edge marketing and render the most efficient service to customers.

“We are embarking on an exciting growth journey for the next few years and are confident that our dynamic Business Continuity Plan will stand us in good stead.”

India is witnessing a boom in the ICT sector with significant rise in government investment in public infrastructure, growing enterprise spending on digital initiatives and consumers rapidly embracing digital technology. D-Link would ceaselessly strive to maintain its position as a top choice amongst consumers seeking connectivity solutions. The Enterprise business continues to be a key focus area for us and we look forward to capitalizing on the opportunities offered with our solution-centric approach.

We realise that the immediate future is uncertain but we are well prepared for any unforeseen challenges. As the pandemic unfolds, we are focused on our people’s health and safety while meeting the demand arising out of evolving consumer needs. The relentless commitment and dedication of every member of the D-Link family will help us overcome the challenges that may come our way.

It is an exciting growth journey that we are embarking on for the next few years and we are confident that our dynamic Business Continuity Plan will stand us in good stead.

In conclusion, I would like to express my gratitude to the Board of Directors for their support and guidance. I also thank our shareholders, customers, partners and all stakeholders for their overwhelming trust and confidence in me and Team D-Link. ■

Thank you.

Sincerely,

Tushar Sighat
Managing Director & CEO

D-Link Corporation

People, Places and Enterprises. We are the Connection

D-Link is the worldwide leader and an award-winning designer, developer, and provider of Wi-Fi and Ethernet networking, broadband, multimedia, voice and data communications and digital electronics solutions for consumers, small businesses, medium to large-sized enterprises and service providers.

D-Link has systematically expanded its market share by penetrating geographic targets through a strategy of establishing business units in the country supported by a strong corporate foundation. This philosophy of 'Globalization through Localization' has resulted in the company having over 120 local sales offices in 50 countries, 20 regional warehouses in 15 countries and over 50+ RMA repair centres around the globe. Confident in the resources of D-Link headquarters to develop and deliver state-of-the-art networking solutions, each local business—regardless of its location around the world—effectively penetrates the market.

Our Wi-Fi routers, IP cameras, smart home devices and other products let consumers enjoy richer online experiences and greater peace of mind in the comfort of their homes. Meanwhile, our unified network solutions continue to integrate capabilities in switching, wireless, broadband, IP surveillance, and cloud-based network management so that people can connect to richer online experiences, businesses can connect to more customers and profit, and cities can connect to safer, more energy-efficient urban environments.

The Company's innovative products provide solutions for home and businesses, each built with standards-based reliability. D-Link has become a trusted international brand that connects people to their lives, to their work, and to each other. ■

Milestones & Achievements

2020
D-Link exhibited its latest technologies and solutions, including 5G, AI, Mesh and 802.11ax (Wi-Fi 6) at 2020 CES
D-Link launched Group Temperature Screening Camera Kit: DCS-9500T

2019
D-Link's mobile communication broadband router of DWR-2010 5G won the Innovation Award at CES.
Launched a new smart city solution at 2019 MWC.

2018
DCS-1820LM receives IF Design Award. COVR-2202 and DCS-1820LM receive the CES Innovation Award Honoree.
D-Link partners with McAfee to develop a security router targeted at smart home owners.

2017
D-Link releases the world's first Apple HomeKit enabled camera.
D-Link announces partnership with Google Assistant. D-Link India forays into CCTV surveillance segment.

2016
D-Link partners with Microsoft to provide Super Wi-Fi.
D-Link announces product integrations with Amazon Alexa.

2015
D-Link announces product integrations with IFTTT ecosystem.

2014
D-Link launches its first smart home products.

2012
D-Link redefines its strategy to focus on cloud cameras, portable routers, and wireless AC cloud routers in the consumer space and unified wireless, smart switches, and integrated surveillance solutions for the business market.

2011
D-Link wins the Taiwan Excellence Gold Award.

2009
Restructuring of India business.
D-Link receives the Outstanding Innovation Award for Industrial Technology Advancement from the Ministry of Economic Affairs, R.O.C.

2008
D-Link is ranked as the 6th most valuable Taiwan Global Brand, with a brand value of USD$347 million.

2007
D-Link global consolidated revenues hit USD$1 billion.
D-Link receives five-star certification from TÜV Rheinland STAR*.

2006
D-Link receives the International Achievement Award from Taiwan's leading newspaper - The China Times.

2004
D-Link is ranked #1 in SMB networking connectivity according to The Synergy Research Group.

2003
D-Link's R&D and manufacturing arm spins off as independent company Alpha Networks Inc.

2002
Businessweek lists D-Link as one of the Annual Global Top 100 Information Tech Companies.

2001
D-Link India becomes the first Taiwanese company to do an IPO in India and list on the Bombay Stock Exchange.

1998
Forbes lists D-Link as one of the 300 best small companies.

1995
D-Link starts manufacturing operations in India.

1994
D-Link becomes Taiwan's first networking company with a Taiwan Stock Exchange IPO (TAIEX code 2332).
D-Link International Pte. Ltd. is set up in Singapore to develop worldwide business beyond Europe, the US, and Greater China.

1992
Datex Systems Inc. is renamed D-Link Corporation.

1986
Datex Systems Inc. is founded to market network adapters.
Datex sets up its European subsidiary, firmly establishing its foothold in North American and European markets.

D-Link (India) Limited

A Premium Player and a Leading Brand in Networking

D-Link (India) Limited is a part of D-Link Corporation and one of the largest networking companies in India. It is a leader in the networking segment in India with its end-to-end networking solutions and continues to be recognized as a premium player in this segment. The Equity Shares of D-Link (India) Limited are listed on NSE & BSE Stock Exchanges.

The Company is engaged in the marketing and distribution of networking products in India and SAARC region. D-Link is an end-to-end solution provider with a robust product portfolio of high quality, efficient and reliable networking products that extend across all areas of network infrastructure including switching, security, wireless, IP surveillance, storage and structured cabling. It is a key market player with nationwide reach, solutions and services. It has 13 branch offices and PAN India state-of-the-art service support infrastructure.

Our unmanaged and smart managed switches are most preferred by SMBs and we are a trusted brand in the WLAN segment We are a prominent player in the structured cabling segment and our foray into the CCTV segment has helped us diversify our product portfolio.

We have a strong and passionate team focusing on Consumer, Enterprise, and Solution Provider business. Our dedicated workforce for telecom and large projects has made strong inroads in meeting the networking needs of large enterprises as well as Government led infrastructure projects.

The Company's strong innovative capabilities has led to the introduction of products that provide high performance, reliable and cost-effective solutions to deliver better connectivity, security and efficiency.

We will continue on our mission of "Building Networks for People" and are committed to providing our customers with an unmatched networking experience by delivering outstanding value and ease of connectivity with a human touch. ■

D-Link (India) Wins ET Best Brand 2020 Award

The Economic Times
Bb
BEST BRANDS
2020
3RD EDITION

A notable feather in D-Link India's cap was the winning of the prestigious ET Best Brand 2020 Award. A most sought-after award, the ET Best Brand Award honours companies that have perfected their brand identity to resonate strongly with consumers.

Our Subsidiary: TeamF1 Networks

High Performance Networking and Security Software for Embedded Devices

TeamF1 is a provider of networking and security software for embedded devices with experience spanning close to two decades. Established in the year 2000, TeamF1 was acquired by D-Link in June 2014 as a wholly owned, but independently operated subsidiary. TeamF1 provides network security, Wi Fi management, CPE turn-key and component software using our core platform TFOS® – 'TeamF1 Operating System'.

TeamF1's mission is to be a pre-eminent supplier of software intellectual property solutions to the embedded systems market through technological innovation, superior quality and responsive support.

TeamF1 Networks specializes in developing high-performance networking and security software products, which help in future-proofing the digital network connectivity and security roadmap for embedded devices. Its network security solutions empower wired and wireless devices world-wide for small and medium businesses and residential networks, this includes applications ranging from business security gateways, UTM firewalls and network storage devices to home gateways and service provider routers.

> *TeamF1 Networks specializes in developing high-performance networking and security software products, which help in future-proofing the digital network connectivity and security roadmap for embedded devices.*

The completely customized solutions of TeamF1 Networks encompass the breadth of requirements for securely connecting devices: from high-performance routing stacks, hardware-accelerated security protocols to intuitive device management, bridging the gap between demand and supply in the network security space.

As an engineering-focused company driven by innovation, TeamF1 Networks understands the security needs of each market vertical and its professional services team goes the extra mile in providing cutting-edge solutions customized to meet those needs. ■

Solutions provided by TeamF1 Networks

- Wireless Controller
- Managed Access Point
- Cloud Solutions
- CPE Gateway
- Security Gateway

Consumer Solutions

A Truly Connected Future. Powered by Smart Connectivity Solutions

D-Link makes life easier for consumers with its advanced home networking solutions. In fact D-Link has always led the Wireless segment in India with innovation which is evident in our product offerings.

Our Home Networking range is vast and includes a host of ground-breaking products like COVR - Whole Home Mesh Wi-Fi systems, Home security cameras, wide range of AC routers, IoT products, etc.

DIR-X1560
EXO AX AX1500
Wi-Fi 6 Router

Considering that the current pandemic situation that has brought about a radical change in the way we function, with Work from Home being the new normal - digital engagements have taken over. Also, modern households today have multiple devices that are connected to the network throughout the day. In such a situation, our EXO Routers with Wi-Fi 6 features are engineered to perfectly meet the demands of the modern-day household, as they provide the bandwidth and processing needed to reduce congestion while increasing efficiency. D-Link Wi-Fi 6 routers are perfect for smart homeowners who demand much more than just a Wi-Fi signal.

COVR-1100
AC1200 Dual Band
Mesh Wi-Fi Router

With the AC1200 Dual Band Mesh Wi-Fi Router, D-Link has got its users COVR'd. The COVR-1100 is a Wi-Fi Certified EasyMesh™ AC1200 high-performance Dual-band router that blankets the entire home including dead spots. This router is a perfect Whole Home Networking Solution as it offers stable, consistent, and truly seamless Wi-Fi. ■

> *"Innovations have made us the trendsetter in the consumer market and we are committed to give our customers the best experience possible."*

Enterprise Solutions

The Springboard to Elevate Businesses to the Next Level

We take your business seriously. It is the number one reason why for over 30 years D-Link has been the preferred partner in creating complete end-to-end networking solutions that deliver real results for your business. D-Link's value-added products extend across all areas of the business networking infrastructure and are designed to meet the ever-evolving needs of businesses throughout the country.

Our product range is truly comprehensive and includes Routers, Switches, Wireless, Surveillance and Network Security products as well as the complete range of Structured Cabling products to help create a smart, scalable and easy-to-manage network infrastructure.

D-Link's Enterprise business encompasses projects, stock-n-sell, and large enterprises. Through its enterprise solution portfolio, D-Link caters to Telcos, ISPs, SMBs and large enterprises. D-Link is also working closely on government initiatives like Digital India, Smart city, etc. and is actively present on the GeM platform. For its enterprise business, D-Link has devised programmes that provide system integrators training of new technology trends and provides strong marketing support, backed by incentive programmes.

DXS-1210-12TC: 10 Gigabit Smart Managed Switch

During the year, we unveiled our latest Gigabit Smart-managed Switches and New Entry Level Managed Switch Series (DXS-1210, DGS-1250 and DGS-2000 Series) which are ideal for office networks and metro ethernet deployment. To help combat the spread of Covid-19, we launched a Group Temperature Screening Camera Kit with AI Facial Recognition (DCS-9500T) designed for businesses to protect customers and employees and enhance safety in busy public spaces.

DXS-1210-12TC: 10 Gigabit Smart Managed Switch

DCS-9500T Group Temperature Screening Camera

D-Link will continue to broaden its SMB/ Large Enterprise product portfolio and position itself as a foremost Enterprise networking brand. ■

Distribution and Service Infrastructure

We're There When You Need Us

D-Link (India) Limited ensures that its products and services are accessible throughout the country. The Company goes to the market through multiple channels and the distribution and service network is fully geared to meet the demands of consumers from every segment. D-Link India's robust distribution structure of 4 National Distributors, 80+ Business Distributors, and over 15000+ resellers ensure that our products are available even in the remotest parts of the country.

D-LINK SERVICE IN NUMBERS

34+ *WALK-IN SERVICE CENTERES PAN INDIA*

500+ *LOCATIONS LOGISTIC SUPPORT PROVIDED*

200+ *PARTNER COLLECTION POINTS*

90+ *TRAINED MANPOWER*

15+ *COURIER COMPANIES ON BOARD*

6 *ROHS BGA MACHINES*

To serve our customers in a holistic way, D-Link India has invested in state of-the-art support infrastructure for both consumers and enterprises, which includes 11 D-Link own Service Centers with 50+ experts in Tier 1 cities, 23+ Partner Service Centers with 40+ experts in Tier 2 / Tier 3 cities, Partner Collection Points in 200+ cities and logistic support in 500+ cities.

D-Link Technical Support Centers (DTSC) is manned by 30+ highly skilled engineers providing L1~L3 support for all our retail and enterprise customers. Further our customers can also interact with the technical experts present across various centers and have hands-on product experience with live demos. It is a matter of great pride for the organization that its TCE (Total Customer Experience) score has consistently been above 95%. ■

Corporate Social Responsibility

A Focus on Healthcare in COVID-19 Times

At D-Link India, we strive to bring meaningful change through initiatives in the areas of child education, healthcare for families, skills training and livelihood for youth, and community engagement through women empowerment.

Donated an Advanced Life Support Cardiac Ambulance to Arogya Nidhi Hospital in Mumbai.

In recent times, our CSR team has focused on healthcare initiatives and has been actively collaborating with various organisations and institutions. Since the outbreak of the pandemic, D-Link India has been doing its bit in helping the country tide over the unprecedented crisis. ■

Lion Kartar Singh Hospital – D-Link donated Dialysis unit

Our healthcare initiatives

- Donated an Advanced Life Support Cardiac Ambulance to Arogya Nidhi Hospital in Mumbai.
- Donated an Advanced Life Support Cardiac Ambulance equipped with state-of-the-art equipment to Masina Hospital in Mumbai.
- Sponsored dialysis machine at Daulatbanoo Merwan Khodadad Irani Dialysis Centre.
- Partnered with Shree Multan Seva Samiti, a Mumbai based NGO and sponsored Dialysis machines at BSES Hospital.
- Offered financial assistance to Prabodhan Dialysis Center, which treats poor people at a highly subsidized rate.
- Sponsored medical and dental equipment at Ramakrishna Mission Hospital which provides free or highly subsidized medical services to needy patients.
- Sponsored a Colour Doppler Unit at the Holy Spirit Hospital, which offers quality healthcare to the marginalized at subsidized rates.
- Donated Dialysis Machines to Lion Kartar Singh Hospital which offers affordable high-quality healthcare to marginalised sections of society.
- Donated Dialysis unit to Jiwdani Dialysis Center which offers affordable healthcare for the underprivileged.
- Donated an Advanced Life Support Cardiac Ambulance equipped with state-of-the-art equipment to Masina Hospital in Mumbai.
- Donated Vision Screening Machines to Lion S P Jain Eye Hospital & Diagnostic Centre which provides subsidized eye care to the underprivileged.

Our Contribution in the Fight against COVID-19

D-Link India has made contributions to:

- **PM CARES FUND:** ₹30 lakh.
- **MAHARASHTRA CM RELIEF FUND - COVID-19**: ₹20 lakh
- **Tata Memorial Hospital:** ₹5 lakh (for procurement of PPE)

Board of Directors

Hung-Yi Kao
Chairman

Mr. Hung-Yi Kao (Mr. Howard Kao) has over 12 years of experience in the IT industry. Mr. Kao's career started in 2004 with a Start-up Company TelTel as a front-end web developer.

Mr. Kao joined D-Link in 2009 and held roles such as mydlink front-end web developer and product manager for the wireless controller/AP product line. Mr. Kao also worked closely with TeamF1 Networks to co-ordinate operations with D-Link product teams. ■

Tushar Sighat
Managing Director & CEO

Mr. Sighat has over 30 years of rich experience in the IT industry. He joined D-Link as the CEO in 2011 and played a crucial role in overcoming the turbulent phase of the demerger and winning back the confidence of customers, partners and employees.

As MD & CEO, he is responsible for driving D-Link's growth and playing a strategic role in strengthening its position as a leader in networking industry. Under his dynamic leadership, D-Link has continued to soar towards new heights of success and grown manifold.

Mr. Tushar Sighat is also the Chairman of D-Link's subsidiary, TeamF1 Networks Pvt. Ltd. Industry bodies across the globe have taken note of Mr. Sighat's exemplary leadership capabilities and he has been the recipient of numerous awards including the prestigious 'CEO of the Year' award at the CMO-Asia-World Brand Congress 2014.

His immense understanding of business across various industry segments along with effective leadership, superb management skills, consultative approach and strategic planning, makes him an excellent strategist. Mr. Sighat is a qualified BE in Electronics and Telecom. ■

Rajaram Ajgaonkar
Independent Director

Mr. Rajaram is a Chartered Accountant in practice with 42 years of post qualification experience. He is also qualified as LLB (Gen) from Government Law College in Mumbai. ■

Satish Godbole
Independent Director

Mr. Satish Godbole is a Chartered Accountant in practice with 40 years of experience; He is specialized in Company Law, Mergers & Amalgamation and FEMA. ■

Madhu Gadodia
Independent 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.

Madhu has represented clients litigations on copyright, trademark, film certification before Supreme Court, pan India High Courts, CCI and TDSAT.

She has a honors degree in Science and holds a Bachelor's degree in Law. Madhu is an accomplished media commentator. ■

Mukesh Lulla
Non-Executive Director

Mr. Mukesh Lulla brings to the Board a unique blend of technical expertise and savvy entrepreneurial skills. As a veteran in global technology marketing and business development, he is eminently qualified to shape the high-level direction of the company's technology investments.

He holds a Master's degree in Electrical Engineering from the University of Southern California (USA), and a Bachelor's degree in Electronics Engineering from N.I.T. Surat.

Mr. Mukesh Lulla also co-founded TeamF1 Inc., a leading provider of security software for connected devices. Under his leadership as CEO, TeamF1 grew from a two-person company to a world-wide leader in the security software space. He was responsible for its vision, strategy implementation and execution.

Mr. Mukesh Lulla has been awarded several patents related to programmable silicon and software algorithms in the field of embedded networking technology and security. ■

Corporate Information

Board of Directors

as on (March 31, 2021)

Mr. Hung-Yi Kao - Non-Executive Chairperson
Mr. Tushar Sighat - Managing Director & CEO
Mr. Mukesh Lulla - Non-Executive Director
Mr. Rajaram Ajgaonkar - Independent Director
Mr. Satish Godbole - Independent Director
Ms. Madhu Gadodia - Independent Director

Committees of the Board

Audit Committee:

Mr. Rajaram Ajgaonkar (Chairman)
Mr. Satish Godbole
Mr. Hung-Yi Kao
Ms. Madhu Gadodia

Nomination & Remuneration Committee:

Mr. Satish Godbole (Chairman)
Mr. Rajaram Ajgaonkar
Mr. Hung-Yi Kao
Ms. Madhu Gadodia

Corporate Social Responsibility Committee:

Mr. Tushar Sighat (Chairman)
Mr. Rajaram Ajgaonkar
Mr. Satish Godbole
Ms. Madhu Gadodia
Mr. Mukesh Lulla

Stakeholders Relationship Committee:

Mr. Satish Godbole (Chairman)
Mr. Rajaram Ajgaonkar
Ms. Madhu Gadodia
Mr. Tushar Sighat

Corporate Information

Registration & Other details:

D-LINK (INDIA) LIMITED
CIN: L72900GA2008PLC005775
Category of the Company: Public Company

Managing Director & CEO:

Mr. Tushar Sighat

Company Secretary & Compliance Officer:

Mr. Shrinivas Adikesar

Chief Financial Officer:

Mr. Vinay Joshi

Statutory Auditors:

BSR & Co. LLP
5th Floor, Lodha Excelus,
Apollo Mills Compound,
N. M. Joshi Marg, Mahalaxmi,
Mumbai – 400 011

Corporate Office:

Kalpataru Square, 2nd Floor,
Unit 24, Kondivita Lane,
Off Andheri Kurla Road,
Andheri (E),
Mumbai - 400059
Tel: +91-22-2921 5700
Fax: +91-22-2830 1901
Website: www.in.dlink.com

Shareholders Correspondence should be addressed to:

Registered Office & Contact details:
Plot No. U02B,
Verna Industrial Estate,
Verna, Salcette,
Goa - 403722
Tel: 0832-2885800
Fax: 0832-2885823
E-mail: shares@dlink.co.in

Registrar & Transfer Agent:
KFIN Technologies Pvt. Ltd.
(formerly Karvy Fintech Pvt. Ltd.)
Selenium, Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda,
Serilingampally, Hyderabad - 500032
Toll Free No.: 1-800-309-4001
E-mail: einward.ris@kfintech.com

Directors' Report

To,

The Members,

The Board of Directors of your Company take pleasure in presenting the Thirteenth Annual Report together with Balance Sheet and Statement of Profit and Loss for the financial year ended 31st March 2021.

1. Financial Results (Standalone and Consolidated)

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	FY 2021	FY 2020	FY 2021	FY 2020
Revenue from operations	71,067.57	72,552.56	72,654.69	74,007.87
Other income	597.46	770.58	684.77	904.04
Total Revenue	**71,665.03**	**73,323.14**	**73,339.46**	**74,911.91**
Finance costs	63.29	38.30	86.40	71.99
Depreciation	386.83	420.28	544.40	574.38
Total expenses	67,248.64	68,523.73	68,469.03	69,772.31
PBDIT	**3,966.27**	**4,340.83**	**4,239.63**	**4,493.23**
Exceptional items	-	(457.17)	-	(457.17)
PBT	**3,966.27**	**4,798.00**	**4,239.63**	**4,950.40**
Tax expense	1,034.08	1,389.81	1,104.74	1,428.76
Profit for the year	**2,932.19**	**3,408.19**	**3,134.89**	**3,521.64**
Earnings per equity share	8.26	9.60	8.83	9.92

The financial statements for the year ended on 31st March 2021 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31st March 2021.

The consolidated financial statements of your Company for the financial year 2020-21 are prepared in compliance with applicable provisions of the Companies Act, 2013, Ind AS 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.

2. State of Company's Affairs:

During the financial year 2020-21, your company posted standalone gross revenue of ₹71,665.03/- as compared to ₹73,323.14 lakhs in the previous year. The standalone profit before depreciation and tax stood at ₹3,966.27 lakhs as compared to ₹4,340.83 Lakhs (excluding exceptional items) in the previous year.

The Profit After Tax for the year 2020-21 was ₹2,932.19 Lakhs as against ₹3,408.19 Lakhs in the previous year.

The Financial Year 2020-21 begin with the pandemic situation created by the spread of the Corona virus COVID-19, all over the world. The impact of COVID-19 was felt across the economy and businesses. However, the networking product segment led the Company's strong growth with focused initiatives countering the challenges posed by COVID-19 pandemic. The good performance is possible due to strong rural markets, gradual opening of Urban markets and ease of supply chains among others.

The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business.

During the year under review, there is no change in nature of business.

3. Dividend and 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.

Your directors have recommended for your consideration the payment of final dividends of ₹1.80/- per share for the year ended 31st March 2021 (i.e. @ 90% on the paid-up equity capital) to be paid, if approved at the Thirteenth Annual General Meeting.

4. Share Capital:

During the year under review, the total paid-up share capital of the Company stood at ₹71,009,700/- consisting of 35,504,850 equity shares of ₹2/- each. The Company has not issued shares with differential voting rights, employee stock options and sweat equity shares. The Company has paid Listing Fees for the financial year 2020-21 to each of the Stock Exchanges, where its equity shares are listed.

5. Details of Subsidiary Company:

TeamF1 Networks Private Limited (TeamF1) is a provider of networking and security software for embedded devices with immense experience. TeamF1 provides network security, WiFi management, CPE turn-key and component software using platform TFOS™. TeamF1 Networks specializes in developing high-performance networking and security software products, which help in future-proofing the digital network connectivity and security roadmap for embedded devices.

TeamF1 earned revenue of ₹1,674.43 lakhs as compared to ₹1,588.77 lakhs in the previous fiscal year. The profit before tax stood at ₹273.36 lakhs as compared to ₹152.40 lakhs 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 - I** to this report.

6. Annual Return:

The Annual Return of the Company for the financial year ended 31st March 2021 is available in our website under the web link: *http://www.dlink.co.in/corporate/investor/*

7. Directors and Key Managerial Personnel:

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

During the year under review, Mr. Tushar Sighat (DIN 06984518) was re-appointed as Managing Director & CEO for a period of three years, up to 1st November 2023. The Board members have regularized the appointment of Mr. Vinay Joshi, as Chief Financial Officer of the Company.

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

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.

Mr. Hung-Yi Kao (Howard Kao) (DIN 08190631) retires by rotation and being eligible, offers himself for re-appointment. A resolution seeking shareholders' approval for his re-appointment forms part of the AGM Notice.

Ms. Madhu Vishal Gadodia [DIN 07583394] was appointed as Independent Director up to 26th August 2021. The Board recommends re-appointment of second term of 5 Consecutive years subject to passing a special resolution by the members of the Company.

c) Key Managerial Personnel

The following are the Key Managerial Personnel of the Company pursuant to the provisions of Section 203 of the Companies Act 2013 (the Act):

1. Mr. Tushar Sighat - Managing Director & CEO
2. Mr. Vinay Joshi - Chief Financial Officer
3. Mr. Shrinivas Adikesar - Company Secretary

d) 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 Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board is of the opinion that all Independent Directors of the Company possess requisite qualifications, experience, expertise and they hold highest standards of integrity.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

8. Number of meetings of Board of Directors:

During the year under review, four 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. The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

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 20th March 2021 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, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors carried out the performance evaluation of the Board as a whole, and of its Committees and individual directors. A structured questionnaire was prepared after taking into consideration the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance etc.

The Board of Directors took note of the observations on board evaluation carried out during the year.

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 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 2020-21.

11. Nomination and Remuneration Committee:

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 and employees.

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 Report on Corporate Governance forming part of this 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 Report on Corporate Governance forming part of this 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 has oversight in the area of financial risks and controls. 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.

Pursuant to Amendment to SEBI LODR Amendment Regulation 2021, the Company has formed Risk management Committee at the Board Meeting held on 29th May 2021.

15. Statutory Auditors:

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the Company had appointed M/s B S R & Co. LLP, Chartered Accountants, (ICAI firm registration no. 101248W/W-100022) ('BSR'), as the Statutory Auditors of the Company for a period of 5 years commencing from the conclusion of 10th AGM till the conclusion of 15th AGM.

The Report given by M/s B S R & Co. LLP, Chartered Accountants on the financial statement of the Company for the year 2020-21 is part of the Annual Report. The Auditors' Report does not contain any qualification, reservation or adverse remark. During the year under review, the Auditors had not reported any matter under Section 143 (12) of the Companies Act, 2013.

The Ministry of Corporate Affairs vide its Notification dated 7th May 2018, has dispensed with the requirement of ratification of Auditor's appointment by the shareholders, every year. Hence, the resolution relating to ratification of Auditor's appointment is not included in the Notice of the ensuing Annual General Meeting.

16. 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.

17. 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 2020-21 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 – III** to this report. There is no qualification, reservation or adverse remark in secretarial audit report.

18. Deposits:

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

19. Particulars of loans, guarantees or investments:

During the year, the Company has not granted any loans to or provided any guarantees or securities under Section 186 of the Companies Act, 2013.

20. 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 products are imported from D-Link Corporation and its Subsidiaries. All Related Party Transactions that were entered during the financial year under review were on an arm's length basis and in the ordinary course of business and is in compliance with the applicable provisions of the Act and the Listing Regulations. All Related Party Transactions are placed before the Audit Committee for prior approval.

The disclosures as required under AS-18 have been made in Note 40 to the standalone financial statements. The particulars of contracts or arrangements entered by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 have been disclosed in Form No. AOC-2 which is annexed as **Annexure – IV**.

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*

21. 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 2020-21. 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.

22. 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.

23. 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 2020-21, the committee has neither received any complaints nor were any cases pending as of 31st March 2021.

24. 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. Adequate measures have, however, been taken to conserve energy by way of optimizing usage of power.

B) Technology absorption:

Your Company continues to use the latest technologies for improving the quality of the products offered. Since your Company is involved in the Wholesale Distribution of Networking Products, there is no expenditure incurred on research and development.

C) Foreign exchange earnings and outgo:

Total foreign exchange earnings and outgo is given below:

Particulars	Amount in Lakhs
Expenditure in Foreign Currency	
CIF & FOB value of imports	28,437.61
Royalty	706.28
Reimbursement of Service charges	218.16
Dividend Paid	181.15
Others	36.43
Total	**29,579.63**
Earning in foreign Currency	
CIF & FOB value of Exports	1,875.80
Reimbursement income	1.87
Total	**1,877.67**

25. 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.

The Company was required to spend ₹69.27 Lakhs for the Financial Year 2020-21 towards Corporate Social Responsibility (CSR) activities. Further, the company was required to spend ₹82.68 Lakhs pertaining to previous financial years.

The Company has spent ₹98.20 Lakhs during the year under review. An amount of ₹53.75 lakhs was allocated for ongoing projects, of which an amount of ₹6 lakhs was spent and the balance unspent amount was transferred to the separate bank account.

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

The CSR Policy of the Company has been posted on the website of the Company at *http://www.dlink.co.in/pdf/CSR-Policy.pdf*

26. 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.

27. 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 Report.

28. 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 this Report.

29. Business Responsibility Report

In compliance with Regulation 34(2)(f) of SEBI LODR Regulations, your Company has included Business Responsibility Report ("BRR"), as part of the Annual Report, describing initiatives taken by the Company from an environmental, social and governance perspective.

30. Transfer of dividend and underlying shares to Investor Education and Protection Fund:

a) Transfer of unclaimed dividend:

The Company is required to transfer the dividend which remains unpaid or unclaimed for a period of seven consecutive years or more, to the credit of the Investor Education and Protection Fund ('the IEPF'). Accordingly, Dividend of ₹1.13 Lakhs for FY 2012-13 declared during the FY 2013-14 which remained unpaid or unclaimed was transferred to the IEPF Authority in FY 2020-21.

b) Transfer of shares to IEPF

Pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended (‘IEPF Rules’), all the shares on which dividends remain unpaid or unclaimed for a period of seven consecutive years or more shall be transferred to the demat account of the IEPF Authority as notified by the Ministry of Corporate Affairs. Accordingly, the Company has transferred 4,431 Equity Shares of face value of ₹2/- each to the demat account of the IEPF Authority during FY 2020-21. The Company had sent notice to last known address to the Members whose shares were due to be transferred to the IEPF Authority and had also published newspaper advertisement in this regard.

31. 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 2021, 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, 2021 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.

32. 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

Tushar Sighat
Managing Director & CEO
DIN: 06984518

Satish Godbole
Director
DIN: 02596364

Mumbai, Dated: May 29, 2021

Form AOC-1

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

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

Part "A": Subsidiaries

Sl. No.	Particulars	Details
1	Name of the subsidiary Company	TEAMF1 NETWORKS PRIVATE LIMTED
2	The date since when subsidiary was acquired	May, 2014
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Not Applicable
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
5	Share capital	1.05
6	Reserves & surplus	1,479.21
7	Total assets	1,761.45
8	Total Liabilities	281.19
9	Investments	-
10	Turnover	1,674.43
11	Profit before taxation	273.36
12	Provision for taxation	70.66
13	Profit after taxation	202.70
14	Proposed Dividend	Nil
15	% of shareholding	99.99%

Notes:

1. Names of subsidiaries which are yet to commence operations : Nill
2. Names of subsidiaries which have been liquidated or sold during the year: Nill

Part "B": Associates and Joint Ventures

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

For and on behalf of the Board of Directors

Tushar Sighat
Managing Director & CEO
DIN: 06984518

Satish Godbole
Director
DIN: 02596364

Vinay Joshi
Chief Financial Officer

Shrinivas Adikesar
Company Secretary

Mumbai, Dated: May 29, 2021

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 2020-21 is as below;

Sr. No.	Name of the Director	Ratio of remuneration of director to the Median remuneration
1	Mr. Hung-Yi Kao	0.99:1
2	Mr. Tushar Sighat	47.77:1
3	Mr. Mukesh Lulla	0.62:1
4	Mr. Rajaram Ajgaonkar	1.35:1
5	Mr. Satish Godbole	1.35:1
6	Ms. Madhu Gadodia	1.35:1

b) the percentage increase in remuneration of each Executive Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2020-21;

Sr. No.	Name of the Director	Increase %
1	Mr. Tushar Sighat	Nil
2	Mr. Vinay Joshi	Nil
3	Mr. Shrinivas Adikesar	Nil

c) Increase in median remuneration of the employees in the financial year 2020-21 is 10.81%

d) There were 284 permanent employees on the rolls of company as on March 31, 2021.

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;

- 1.38% increase in average remuneration of all employees excluding managerial persons in the financial year 2020-21 as compared to the financial year 2019-20.

f) *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 of 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.

Part B:

Statement showing particulars of employees pursuant to the provisions of section 197(12) of the companies act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a) Persons employed for the full year ended March 31, 2021 who were in receipt of the remuneration which in the aggregate was not less than ₹102,00,000/- p.a.

Sl. No.	Employee Name	Designation	Gross Remuneration (In Rupees)	Qualification	Total Exp. in Yrs.	Date of Commencement of Employment	Age in Yrs.	Last Employer & Designation Held
1	Mr. Tushar Sighat	Managing Director & CEO	22,972,783	B. E. in Electronics & Telecommunications	30	1-Jul-2011	53	Elite Core Technologies Pvt. Ltd, Sr. V.P Operations

Mr. Tushar Sighat holds 16,427 shares in the Company and not relative of any director or manager of the company.

b) Persons employed for part of the year ended March 31, 2021 who were in receipt of the remuneration which in the aggregate was not less than ₹8,50,000/- p.m.

Sl. No.	Employee Name	Designation	Gross Remuneration (In Rupees)	Qualification	Total Exp. in Yrs.	Tenure of Employment	Age in Yrs.	Last Employer & Designation Held
NIL								

For and on behalf of the Board of Directors

Tushar Sighat
Managing Director & CEO
DIN: 06984518

Satish Godbole
Director
DIN: 02596364

Mumbai, Dated: May 29, 2021

Form MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021

[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 - 403 722

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.** 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 31st March, 2021 (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 31st March, 2021 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (provisions of external commercial borrowing and 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, 2015;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018(Not applicable to the Company during the audit period);

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (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, 2018 (Not applicable to the Company during the audit period).

vi. As confirmed and certified by the management, there are no sector specific laws applicable to the Company.

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Listing Agreements entered into by the Company with Stock Exchanges read with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

During the period under review the Company has generally 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, including Women Director 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 including committees thereof along with 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 by the Directors.

The decisions were carried 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.

I further report that during the audit period the Company is having pending litigation as disclosed in Note No.36 to the financial statements.

Place : Panaji, Goa

Date : May 29, 2021

Shivaram Bhat

Practising Company Secretary
ACS No. 10454, CP No. 7853
UDIN: A010454C000390130

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

Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before March 31, 2021 pertaining to Financial Year 2020-21.

'ANNEXURE A'

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

1. 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.
2. 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.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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.
6. 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.

Place : Panaji, Goa

Date : May 29, 2021

Shivaram Bhat

Practising Company Secretary
ACS No. 10454, CP No. 7853
UDIN: A010454C000390130

Form No. AOC-2

Annexure - IV

(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: Not Applicable

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

<table>
<tr><th>Sr. No.</th><th>Name(s) of the related parties</th><th>Nature of relationship</th><th>Nature of contracts/ arrangements/ transactions</th><th>Duration of the contracts/ arrangements/ transactions</th><th>Salient terms of the contracts or arrangements or transactions including the value, if any:</th><th>Date(s) of approval by the Board, if any</th><th>Amount paid as advances, if any</th></tr>
<tr><td>1 .</td><td>D-Link Corporation</td><td rowspan="2">Holding Company, & Fellow Subsidiary</td><td rowspan="2">Purchase/ Sale of traded goods or materials, Services and payment of Royalty.</td><td rowspan="2">The Transactions are ongoing.</td><td rowspan="2">The transactions are in the ordinary course of business and at arm's length considering that transactions are entered into as per transfer pricing arm's length norms. For value and other details refer note 40 of the standalone Financial Statement.</td><td rowspan="2">Not applicable, Since the contract was entered in the ordinary course of business and is on arm's length basis.</td><td rowspan="2">Nil</td></tr>
<tr><td>2.</td><td>D-Link International Pte. Ltd.</td></tr>
</table>

For and on behalf of the Board of Directors

Tushar Sighat
Managing Director & CEO
DIN: 06984518

Satish Godbole
Director
DIN: 02596364

Mumbai, Dated: May 29, 2021

Annual Report on CSR Activities

Annexure - V

1. Brief Outline of CSR Policy

The Board of Directors upon the recommendation of the Corporate Social Responsibility Committee have identified the areas listed in Schedule VII of the Companies Act, 2013 for carrying out its CSR activities:

D-Link believes in inclusive growth to facilitate creation of a value-based and empowered society through continuous and purposeful engagement of society around. Our commitment to CSR is focused on initiatives that make a constructive contribution to the community and encourage sustainable development The projects/programmes may be undertaken by an Implementation Agency or the Company directly provided that such projects/programmes are in line with the activities enumerated in Schedule VII of the Companies Act, 2013.

2. Composition of CSR Committee for the year ended March 31, 2021

The Corporate Social Responsibility (CSR) Committee comprises of the following members:

Name of the Director		Category	Corporate Social Responsibility Committee meetings			
			June 27, 2020	August 10, 2020	November 7, 2020	February 6, 2021
Mr. Tushar Sighat	Chairman	Executive Director	√	√	√	√
Mr. Mukesh Lulla	Member	Non-Executive - Non Independent Director	√	√	√	√
Mr. Rajaram Ajgaonkar	Member	Non-Executive - Independent Director	√	√	√	√
Ms. Madhu Gadodia	Member	Non-Executive - Independent Director	√	√	√	√
Mr. Satish Godbole	Member	Non-Executive - Independent Director	√	√	√	√

3. The detailed Corporate Social Responsibility Policy is available on the website of the Company at http://www.dlink.co.in/pdf/CSR-Policy.pdf
4. Impact assessment of CSR project: **NA.**
5. Details of the amount available for set off and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount Available for set-off From Proceeding Financial Year (in Rs.)	Amount required to be set-off for Financial Year (in Rs.)
1	2020-21	-	-

6. Average Net Profits

The average profits, i.e. profits before tax of the Company during the three immediately preceding financial years was ₹**3,463.83 lakhs**

7. (a) Two percent of average net profit of the company as per section 135(5): ₹**69.28 Lakhs**
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial year: **Nil**
   (c) Amount required to be set off for the financial year, if Any: **Nil**
   (d) Total CSR obligation for the financial year (7a+7b- 7c).: ₹**151.96 Lakhs***
   ** The CSR Obligation includes the unspent amount of ₹82.68 Lakhs pertain to previous years.*
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹69.28 Lakhs	₹53.76 Lakhs#	30th April 2021	-	-	-

₹6.00 Lakhs was spent for ongoing project subsequent to close of the financial year and the balance amount of ₹47.76 Lakhs was transferred to Unspent CSR Account.

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1.	A. K. Munshi Yojana	Promoting education, enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	Maharashtra Mumbai		beyond one financial year	₹6.00 Lakhs	₹6.00 Lakhs	NA	No	A K Munshi Yojana	CSR00009122

Note: ₹6.00 Lakhs was spent subsequent to close of the financial year.

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/ No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	PM CARES Fund	Contribution to the Prime Minister's Cares Fund	No	NA		₹30.00 lakhs	No	PM CARES Fund	-
2	Lions Club of Dahisar Charity	Promoting health care	Yes	Maharashtra Mumbai		₹8.20 Lakhs	No	Lions Club of Dahisar Charity	-
3	Keshav Smruti High School	Promoting education.	Yes	Goa South Goa		₹9.00 Lakhs	No	Keshav Smruti High School	-
4	Ambulance at Hegdewar Hospital	Promoting health care	Yes	Maharashtra Aurangabad		₹15.00 Lakhs	No	Dr. Babasaheb Ambedkar Vaidyakiya Pratishthan	-
5	Ambulance at Bhartiya Arogya Nidhi	Promoting health care	Yes	Maharashtra Mumbai		₹30.00 Lakhs	No	Multan Seva Samiti	-
6	The Shikshana Samiti Goregaon	Promoting education	Yes	Maharashtra Mumbai		₹6.00 Lakhs	No	The Shikshana Samiti Goregaon	-

Note: *In addition to the above, the Company has contributed ₹20.00 Lakhs to Maharashtra CM COVID-19 Relief Fund during the financial year.*

(d) Amount spent in Administrative Overheads: **Nil**

(e) Amount spent on Impact Assessment, if applicable: **NA**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹**98.20 lakhs**

(g) Excess amount for set off, if any

No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	-
(ii)	Total amount spent for the Financial Year	-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2017-18	-	-	-	-	-	-
2.	2018-19	-	₹26.22 lakhs	-	-	-	-
3.	2019-20	-	₹56.46 lakhs	-	-	-	-
	Total	-	**₹82.68 Lakhs**	**-**	**-**	**-**	**-**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year. (in ₹)	Status of the project - Completed / Ongoing.
-	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s): **NA**

(b) Amount of CSR spent for creation or acquisition of capital asset.: **NA**

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **NA**

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).: **NA**

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).:

During the year under review, the amount spent by the Company on the CSR activities is less than the prescribed amount under the Companies Act 2013. *As at March 31, 2021 an amount of ₹53.76 Lakhs earmarked for ongoing projects was yet to be spent. As on April 30, 2021 the unspent amount being ₹47.76 lakhs has been transferred to 'Unspent CSR Account' as prescribed under Section 135(6) of the Act.*

For D-Link (India) Limited

Tushar Sighat
Chairman CSR Committee
DIN: 06984518

Satish Godbole
Member, CSR Committee
DIN: 02596364

Mumbai, Dated: May 29, 2021

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

Sl. No.	Particulars	Details
1.	Corporate Identity Number	L72900GA2008PLC005775
2.	Name of the Company	D-Link (India) Limited
3.	Registered Address	Plot No. U02B, Verna Industrial Estate, Verna, Salcette, Goa - 403722
4.	Website	www.dlink.co.in
5.	Email ID	shares@dlink.co.in
6.	Financial Year Reported	2020-21
7.	Sector that the Company is engaged in	Wholesale of computers, computer peripheral equipment and software (Trading of Networking Products).
8.	List key products/services that the Company provides:	Wholesale trading and distribution of IT Networking products and providing services relating to networking products
9.	Total number of locations where business activity is undertaken by the Company:	i. Number of international locations : Nil ii. Number of national locations: The Company is headquartered in Mumbai and having its registered office in Goa and Sales and Marketing offices, Delhi, Kolkata, Bangalore, Chennai, Cochin, Pune, Ahmadabad, Hyderabad, Indore, Chandigarh, and Orissa. The Company also has RMA repair centers in major cities.
10.	Markets served by the Company: The Company is in the business of trading and Marketing of Networking Products in the territory of India and SAARC region, providing after sales services for the products sold by the Company.	

SECTION B: FINANCIAL DETAILS OF THE COMPANY

Sl. No.	Particulars	Details
1.	Paid Up Capital	35,504,850 Equity Shares of ₹2/- each
2.	Total Turnover	₹71,665.03/- Lakhs (On standalone basis)
3.	Total profit after taxes	₹2,932.19/- lakhs (On standalone basis)
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of Profit after tax:	During the current financial year, the CSR spending was ₹118.20/-* lakhs constituting 4.03 % of the profit after tax which includes unspent amount pertaining to previous financial years. The details of expenditure can be accessed in the CSR report which is annexed to the Boards' Report. ** Includes ₹20.00 lakhs contribution to Maharashtra Chief Ministers relief fund - COVID-19.*
5.	List of activities in which expenditure in Sl No. 4 above has been incurred	• Providing education • Promoting healthcare and welfare of the weaker section • Disaster Management More details on CSR expenditure can be accessed in the CSR report which is annexed to the Board's Report.

SECTION C: OTHER DETAILS

Sl. No.	Particulars	Remark
1.	Does the Company have any subsidiary company / companies?	Yes, the Company has 1 [one] direct subsidiary.
2.	Do the subsidiary company/companies participate in the Business Responsibility [BR] initiatives of the parent Company? If yes, then indicate the number of such subsidiary company(s)	Yes, the subsidiary earning profits support the BR initiatives of the Company.
3.	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?	No other entities that the Company does business with, participate in its BR initiatives.

SECTION D: BUSINESS RESPONSIBILITY (BR) INFORMATION

1. Details of Director/Directors responsible for BR

a) Details of the Director/Directors responsible for the implementation of BR policy/policies:

No Director has been specifically nominated for being responsible for the BR policy/procedure.

The Corporate Social Responsibility (CSR) Committee of the Board comprising of Mr. Tushar Sighat, Managing Director & CEO - Chairman of the Committee, Mr. Rajaram Ajgaonkar, Mr. Satish Godbole, Ms. Madhu Gadodia and Mr. Mukesh Lulla drive the social responsibility initiatives.

b) Details of the BR head:

Sl. No.	Particulars	Remark
1.	DIN	06984518
2.	Name	Tushar Sighat
3.	Designation	Managing Director & CEO
4.	Telephone Number	022 – 2921 5700
5.	E-mail ID	shares@dlink.co.in

2. Principle-wise (as per NVGs) BR Policy / Policies

(a) Details of compliance (Reply in Y/N)

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/policies for the BR principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Yes. All the policies are being formulated in consultations with the relevant stakeholders. As per the Statutory Requirements, mandatory policies are made available to the public through the website of the Company.								
3.	Does the policy confirm to any national /international standards? If yes, specify? (50 words)	All the policies are framed in line with the Statutory Requirements and hence, they adhere to the National Voluntary Guidelines (NVGs) issued by the Ministry of Corporate Affairs.								
4.	Has the policy being approved by Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?	Wherever necessary, the policies are placed before the Board and requisite approvals obtained.								
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Yes								
6.	Indicate the link for the policy to be viewed online?	Internal policies are available for employees only. For other policies please refer to the link: http://www.dlink.co.in/corporate/investor/								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Internal stakeholders are made aware of the policies. External stakeholders are communicated to the extent applicable to the stakeholders. The policies are also uploaded on the website of the Company for easy access.								
8.	Does the company have in-house structure to implement the policy/policies.	Yes								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes, all stakeholders' grievances may be addressed to shares@dlink.co.in								
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The policies are reviewed by the Board from time to time. Further, the policies and their compliance are also reviewed internally and whenever necessary, by external agencies periodically.								

(b) If answer to the question at S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sl. No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1.	The company has not understood the Principles	Not applicable								
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

Sl. No.	Particulars	Remark
1.	Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.	The Board and the CSR Committee assess the performance on a yearly basis. Further, in line with the requirements of the Companies Act, 2013, the Board has constituted the CSR Committee which formulates the CSR Policy and also approves CSR expenditure to be incurred on CSR activities. The Committee ensures that the expenditure is made for the right cause.
2.	Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?	The Company has published the Sustainability Report annually for the first time. The Business Responsibility Reports have been made part of the Company's Annual report. BR report can be accessed through the Company website: www.dlink.co.in

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Ethics, Transparency & Accountability

Sl. No.	Particulars	Remark
1.	Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?	We focus on long-term value creation without compromising on the integrity, as our actions are governed by our values and principles as envisaged in the Code of Conduct reinforced at all levels of the organization. The Company has a Code of Conduct to address ethics, bribery and corruption related matters. In addition, the Company has a vigil mechanism which monitors the ethical behaviour of the stakeholders and also alerts the top management of the Company to tap the gaps, if any, in the system.
2.	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.	The Company has a dedicated e-mail ID to which the stakeholders may address their queries. The Legal & Secretarial Department caters to the needs of the investors. A summary of the complaints received and resolved during the year is provided in a separate section of the Corporate Governance Report attached to the Director's Report. As at the end of the financial year there was no query pending which needs to be addressed.

Principle 2: Product Lifecycle Sustainability & Safety

Sl. No.	Particulars	Remark
1	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	Given the nature of our business, the Company can consider the following three 'products': (i) The Company is into the business of distribution of IT networking products and after sales services and its subsidiary is into development of software. The Company is fully committed to environmental protection by distribution of RoHS (Reduction of Hazardous Substances) compliant products to its dealers. RoHS compliance is an integral part of our process and we have ensured that the vendor supplies RoHS compliant products. (ii) The Company takes necessary steps towards safe disposal of E-waste at the end of the life cycle of such products. The Company is channelizing the e-waste generated through authorized recyclers as specified under E-waste management rules. (iii) The Company distributes its 'products' in a way that they comply with the mandatorily required standards under the requisite laws.
2	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product(optional): i. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain? ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	The Company is into trading and distribution of IT networking products, does not consume significant energy, water, raw material, power etc. However, we are consciously working towards; - optimum utilization of water and other natural resources - Installing CFL and other low energy consuming office equipment - Restricting usage of printers /copiers.
3	Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs were sourced sustainably? Also provide details thereof, in about 50 words or so.	Yes. The Company has set procedures to select suppliers, contractors and service providers based on their competence and capability to perform and being in compliance with the Company's Code of Conduct which includes health and safety, environment, ethics and integrity and working conditions among others. As a guiding principle, the Company prefers to do business with compliant and sustainable suppliers. The Company is in the distribution business and is not involved in production/manufacturing activities, hence it is not required to source any raw materials. The detailed percentage is not quantifiable.
4	Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?	Yes, to the extent possible the goods are procured from local and small producers. The Company maintains an equitable balance for sourcing its raw materials and finished products. Further, it procures packing materials from local and small producers enabling growth of small players in the market.
5	Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so.	The Company is in the trading and marketing business and is not involved in production/manufacturing activities, hence it is not required to source any raw materials. The obsolete products are disposed through authorized e-waste recyclers.

Principle 3: Employee Well Being

Sl. No.	Particulars	Remark
1	Please indicate the Total number of employees.	As on 31st March 2021, the Company had 284 employees.
2	Please indicate the Total number of employees hired on temporary/contractual/casual basis.	The Company employs 284 individuals of which 23 are hired on a contract basis. The Company also hires labours on casual basis depending on the requirement on an average of 60 employees on monthly basis.
3	Please indicate the Number of permanent women employees.	The Company had 35 permanent women employees as on 31st March 2021.
4	Please indicate the Number of permanent employees with disabilities	Nil
5	Do you have an employee association that is recognized by management?	Presently, the Company does not have any employee association. However, the employees are not discouraged from forming associations.
6	What percentage of your permanent employees are members of this recognised employee association?	Not Applicable
7	Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.	The Company does not employ child labour, forced labour or involuntary labour. The Company has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (India) and the Rules thereunder. Any concerns will be addressed in accordance with the procedures laid down in the policy. Internal Complaints Committee (ICC) has been structured to address POSH related issues. The Company did not receive any complaints relating to child labour, forced labour, involuntary labour or sexual harassment from the employees of the Company during the last financial year
8	What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year? • Permanent Employees • Permanent Women Employees • Casual/Temporary/Contractual Employees • Employees with Disabilities	The Company makes investment in employees' continuous learning. Regularly provides various webinars online updating the employee's technical skills. The Company provides the best platform for its employees to upgrade their skills through various Webinars. The Company conducted various webinars and online training on ethics during COVID-19 lockdown. Apart from the above, the Company provides access to D-Link's training and certification program as a part of the management initiative to promote D-Link technology and respond to market demands. D-Link Academy will help to educate employees, customers, channel partners, and students about D-Link solutions and technology. This training and certification program will train users and increase their knowledge in networking. D-Link strives to create the best training and certification program for its users to enhance their knowledge and give them an advantage in the market place. D-Link is committed to its channel partners and employees. As a networking leader, we educate our employees and work together with channel partners to develop future network professionals. D-Link Academy trains its users through certifications, workshops and seminars.

Principle 4: Stakeholder interest & Engagement

Sl. No.	Particulars	Remark
1	Has the company mapped its internal and external stakeholders? Yes/No	Yes, the Company has mapped its internal and external stakeholders. The key stakeholders of the Company include its Customers, Regulatory Authorities including Government, Employees, Vendors, Contractors, Bankers, Investors and Shareholders.
2	Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders	The Company considers all its stakeholders in its business value chain significant and no one is considered as disadvantaged, vulnerable and marginalized.
3	Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.	Not applicable

Principle 5: Human Rights

Sl. No.	Particulars	Remark
1	Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers /Contractors /NGOs/Others?	The Company remains committed to respect and protect human rights. Company does not have a specific policy on human rights. However, it has a Code of Conduct which regulates practices relating to the non-employment of child labour, assuring safety measures etc. This Code is applicable to the Company, its subsidiaries as well as to the contractors engaged by the Company.
2	How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?	No complaints were received by the Company on human rights violations.

Principle 6: Preservation of Environment

Sl. No.	Particulars	Remark
1	Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/ Contractors /NGOs/others.	The Company has its own set of principles when it comes to utilising natural and manmade resources. The same principles are being extended to group companies.
2	Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.	The Company's policy on environment encourages conduct of business with minimal impact on environment. The Company believes that the operations should not adversely affect the environment, the ecological balance and life support functions. The Company, being a distributor of IT products, has E-Waste as the only source from its operations that impact the environment. The Company has taken cognizance of the environmental impact from the waste thus generated and has put in place mechanism to ensure safe handling and proper disposal of e-waste. The details of initiatives for proper channelization of e-waste during the financial year can be accessed through www.dlink.co.in

Sl. No.	Particulars	Remark
3.	Does the company identify and assess potential environmental risks? Y/N	Yes, the Company has identified potential risks with the business functions. The Company has taken cognizance of the potential environment risk identified from the e-waste generated, through distribution of IT products. The Company has put in place effective system to identify the products as e-waste after their "end-of-life". We take conscious measures to mitigate the potential risks by disposing the waste in an environment-friendly manner.
4.	Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?	Yes the Sustainability Report addresses the clean development mechanism.
5.	Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.	The Company is operating in trading and marketing of networking products. The Company makes use of various energy efficient equipment.
6.	Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?	Not Applicable, as the Company does not emit/generate any effluents/pollutants.
7.	Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.	Nil

Principle 7: Responsible Advocacy

Sl. No.	Particulars	Remark
1.	Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with.	Yes the Company is a member of Goa Chamber of Commerce and Industry and MAIT New Delhi.
2.	Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)	Yes the Company works for the advancement of public good along with our industry colleagues. Such work mainly involves creating a framework for sustainable business development in this industry. The Company has been providing suggestions to overcome the challenges faced by Customs Clearance and logistics.

Principle 8: Inclusive Growth & Equitable Development

Sl. No.	Particulars	Remark
1.	Does the company has specified programmes / initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.	Yes such details are given in CSR Report attached to the Director's Report.
2.	Are the programmes /projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?	The CSR projects of the company are carried out in association with various Public Charitable Trusts, Association and Charitable Societies.
3.	Have you done any impact assessment of your initiative?	The Company conducts impact assessment of the initiatives. The same would be reviewed by the Corporate Social Responsibility Committee and its recommendations are being implemented. All programs are monitored and evaluated for progress by dedicated in-house teams on a continuous basis.

Sl. No.	Particulars	Remark
4.	What is your company's direct contribution to community development projects Amount in INR and the details of the projects undertaken.	The Company spent ₹118.20 lakhs towards its CSR initiatives during 2020-21. Details of the projects undertaken are: i. Promoting preventive healthcare and sanitation. ii. Promoting education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. iii. Disaster Management – COVID-19 For further details, please refer to the Annual Report on CSR and the CSR Report.
5.	Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.	Community development programmes of the Company are focused to create economic well-being of the poor and physically disabled people by providing better infrastructural facilities, amenities, education and medical equipments etc.

Principal 9: Customer Value

Sl. No.	Particulars	Remark
1.	What No. of customer complaints/consumer cases were pending as on the end of financial year.	There were no customer complaints/consumer cases pending at the end of financial year.
2.	Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)	The goods procured locally does not require any product labeling by the Company, whereas the goods imported will contain the label affixed, with requisite information as required under Legal Metrology (Packaged Commodities) Rules, 2011. In respect of products imported by the Company, it ensures appropriate disclosure of the details of the product in the package as mandated by law and in the case of goods procured locally, such requirement is mandated on the respective domestic manufacturer/importer, as the case may be.
3.	Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.	No such instances were filed by any stakeholder during the last five years.
4.	Did your company carry out any consumer survey/ consumer satisfaction trends?	The Company regularly meets its distributors, partners and System Integrators personally and gathers the information of the business community. The sales team has regular interaction with the dealers & takes the customer satisfaction feedback periodically to understand the requirement and expectation of the customers.

For and on behalf of the Board of Directors

Tushar Sighat
Managing Director & CEO
DIN: 06984518

Satish Godbole
Director
DIN: 02596364

Mumbai, Dated: May 29, 2021

Management Discussion and Analysis Report

INDUSTRY OVERVIEW

Global Economic Scenario

The world economy at large appears on the road to recovery, although the pace and degree varies considerably across nations. Prospects for the world economy have brightened but this is no ordinary recovery. It is likely to remain uneven and dependent on the effectiveness of vaccination programmes and public health policies. Some countries are recovering much faster than others. Amid exceptional uncertainty due to the pandemic, the global economy is projected to grow 5.5 percent in 2021 and 4.2 percent in 2022. The 2021 forecast is revised up 0.3 percentage point relative to the previous forecast, reflecting expectations of a vaccine-powered strengthening of activity later in the year and additional policy support in a few large economies. By the end of 2021 or early 2022, it is expected that the global economy would revert to its pre-pandemic level of output.

Differences in the strength of economic recovery across countries are being driven by the extent of government support to vulnerable workers and businesses, by a country's dependency on particular sectors such as tourism, as well as by public health and vaccination policies. Trade is also playing a role. Consumers have been spending less on services and more on goods since the pandemic began. The pick-up in merchandise trade has benefitted countries heavily involved in supply chains, particularly pharmaceuticals, medical supplies and IT material.

Worldwide IT spending is projected to total $4.1 trillion in 2021, an increase of 8.4% from 2020, according to the latest forecast by Gartner, Inc. The source of funds for new digital business initiatives will more frequently come from business departments outside IT and charged as a cost of revenue or cost of goods sold (COGS).

Recovery across countries, vertical industries and IT segments still varies significantly. From an industry perspective, banking and securities and insurance spending will closely resemble pre-pandemic levels as early as 2021, while retail and transportation won't see the same recovery until closer to 2023. All IT spending segments are forecast to have positive growth through 2022. The highest growth will come from devices and enterprise as organizations shift their focus to providing a more comfortable, innovative and productive environment for their workforce.

INDUSTRY OUTLOOK IN INDIA

The Indian economy passed through one of the most volatile periods in living memory in 2020-21. The outbreak of the novel coronavirus and the consequent suspension of economic activities due to the pandemic-induced lockdown, coupled with muted consumer sentiment and investments, had a severe impact on the Indian economy during the first quarter of the year under review. The Indian economy de-grew 23.9% in the first quarter of 2020-21, the sharpest degrowth experienced by the country since the index was prepared.

The Indian government announced a complete lockdown in public movement and economic activity from the fourth week of March 2020. As economic activity came to a grinding halt, the lockdown had a devastating impact on an already-slowing economy as people were required to stay indoors on account of one of the most stringent lockdowns enforced in the world.

Following the COVID-19 outbreak, India implemented one of the strictest nationwide lockdowns in the world early on, in order to keep the infection numbers under control. This resulted in mass unemployment in the lower income segment and staff downsizing across sectors. The restriction on free movement of goods and people disrupted supply chains and nearly wiped out the demand for non-essential goods and services.

Gartner in its latest forecast expects IT spending in India touch $93 billion in 2021, driven by digitization of businesses outside of technology. The IT spending in the country is expected to further grow to USD 98.5 billion in 2022. Despite an increase of 7.3 per cent compared to last year, India's spend will be lower than global average, as worldwide IT spending is projected to total $4.1 trillion in 2021, an increase of 8.4 per cent year-on-year (YoY). The report further add that the Indian economy is observing a slow but steady growth trajectory this year. Additionally, the government relaxation of foreign investment in certain sectors such as insurance, infrastructure, telecommunications will provide additional funds for businesses to accelerate their digital transformation.

On the IT services side, endpoint and network services will witness a stronger demand because of extended remote working options. According to IDC report, IT vendors are gearing up to adapt and transform the way of doing business, in a bid to support their clients during these testing times. Although IT spending will be impacted, specific solutions such as conferencing and collaboration, secure endpoint and network management, CRM, cloud storage, backup & recovery solutions, and remote support & services will continue to witness a steady rise amidst the crisis.

Revival in economic activities by the Government and growing consumer demand has played a key role in the growth of information and communication technologies spending with enterprises changing focus and business models to deliver digital-first experiences. Indian enterprises will be spending $91 billion on Information and Communication Technologies (ICT) in 2021, marking a 10% increase than last year. ICT spending by Indian businesses could rise to $111 billion in the next three years as per the latest IDC report.

The Government initiatives like production-linked incentives (PLI) and Make in India have made technology-led investments towards digital transformation inevitable. Providing an alternative to China as the global manufacturing hub will also step-up India's position in the global arena. the revival of economic activities in India and growing consumer demand have played a key role in the growth of ICT spending.

India's networking market, which includes Ethernet Switch, Routers, and WLAN segments, witnessed a marginal 5.1 per cent year-over-year (YoY) growth in terms of vendor revenues during Q1 2021, according to International Data Corporation (IDC). The marginal growth can be attributed to the relaxation of the COVID-19 restrictions in multiple parts of the country post the first wave of the pandemic. The Government was one of the key verticals that contributed to this growth with Government institutions, investing in network infrastructure. However, most of these investments were pent-up demand that got deferred to 2021 due to the pandemic.

India's Switching business witnessed a negligible 0.8 per cent YoY growth during the quarter. Non-DC switching business grew 10 per cent YoY owing to a long gap due to the reduced lockdown restrictions and campuses starting to invest more in switch infrastructure. Government, professional services, and telecom were the key contributing verticals for switching. India's router market grew 4.7 per cent YoY. The gradual lifting of restrictions in multiple major cities for the most part of Q1 led to substantial growth in the non-DC business (10 per cent growth YoY). However, the DC switching business declined by 9.8 per cent.

The growth in the routing segment was mainly attributed to the enterprise segment, with a substantial increase of 63.4 percent YoY basis. Apart from telecom, other key verticals for routing include government, banking, and professional services, as per the IDC report. The India Router market stood at $72.5 million with a marginal YoY growth of 4.7 per cent during the quarter.

The WLAN segment witnessed a significant growth of 17.3 per cent YoY after a long gap caused due to Covid. Both enterprise and consumer WLAN grew, through the growth in enterprise Access points were considerably low compared to consumer gateway routers. With the Covid restrictions freeing up, campuses started investing in enterprise-class access points for future hybrid work needs. Consumer gateway routers grew by 29.5 per cent YoY. However, the demand for consumer routers shrunk by 22.7 per cent compared to last quarter of the FY 2021.

OPPORTUNITIES AND THREATS

India's economy is set to bounce back strongly in 2021 as businesses return to pre-COVID-19 levels. Even though the pandemic is far from over, India is learning to live with the virus. India is expected to be the fastest growing Asian economy in 2021 and recent forecasts have pegged the Indian economy to grow at 9.9 percent in 2021 – faster than China and Singapore. The Indian economy and the corporate sector are seeing a flush of optimism after a rather worrying tryst with the COVID-19 pandemic. There are many potential drivers that can lift private sector investments meaningfully over the next 12-18 months. Apart from time-bound sops under the Production-Linked Incentive scheme, they include deferral of capex since the past two years, improving utilization rates - especially for larger players in some sectors, lower funding cost, buoyant equity markets and capital-raising, possible foreign direct investment flows re-routed by the 'China-plus-one' strategy, and expectations of continued reforms to support India's manufacturing sector.

The Indian electronic components market is set to grow exponentially – facilitated by its low-cost manufacturing base, huge local demand, and a rapidly developing electronics ecosystem. Growth opportunities abound for tech companies that execute on all forms of digital transformation, particularly in the areas of cloud, analytics, Artificial Intelligence (AI), cybersecurity, and edge computing etc.

In the next few years, IT services individual spending is going to grow between 8% and 9% compared to 4-6% in pre Covid era. It is going to be very lucrative for IT services companies as Covid has created a new kind of opportunities for these companies and they have leveraged it. Growth is going to happen more towards digital services which individuals have expedited. COVID-19 has accelerated the adoption of digital technologies across segments. Companies have started adopting and improving their existing IT infrastructure not only for growth but also for their 'survival'.

The Ethernet Switch, Router, and WLAN market are expected to grow in single digits in terms of compound annual growth rate (CAGR) for 2018–2023. Increased adoption of emerging technologies such as cloud, IoT, mobility, etc. would drive incremental revenues. IDC also expects large investments for 5G rollouts in the next couple of years.

The government spending on several initiatives like - laying down of the National Optical Fibre network, the Digital India program, Smart City initiative, focus on broadband penetration into tier II and tier III cities as well as rural India etc. have all led to rapid growth in the size of IT market.

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. We believe that our understanding of high-performance networking technology, our strategy, and brand legacy positions us well to capitalize on the industry's growth.

With strong parental support from D-Link Taiwan, in terms of a pipeline of the latest and innovative products, D-Link India is well 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 Indian 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.

OPERATIONAL REVIEW

D-Link continues to hold significant market share in consumer wireless and switching segments. D-Link unmanaged and smart managed switches are among the most preferred products by SMBs. The Company has also shown upward growth in most of the other categories in which it operates. D-Link India continues its domination of the structured cabling segment displaying healthy growth in revenues. D-Link unified wireless networking solutions enable small and medium sized businesses to create highly mobile and productive work environment at a low total cost of ownership. D-Link's entry into the Analog Security CCTV market place was a major stepping stone which has garnered good growth and the company remains highly optimistic about this product segment in the coming years.

D-Link India Limited is strongly focusing on local products as part of its 'Make in India' initiative. It has been granted exclusive rights/license by the parent company to use the D-Link trademark for such locally manufactured products. The Company had made strategic decisions on manufacturing certain products locally through third party or contract manufacturing with own brand names, under its own proprietary designs, quality control and supervision. The Company has made noteworthy progress in this direction and has entered into arrangements with local manufacturers.

D-Link strongly believes that in order to stay on top, it must continue to innovate. It is committed to not just remain relevant, but to be the preferred brand on the cutting edge of Internet technology. D-Link also has the experience to know what it must do to retain that position. D-Link is focused on providing world-class customer services and keeps working towards enhancing its existing countrywide distribution and support infrastructure. D-Link has 4 National Distributors, 80+ Business Distributors, and over 15000+ resellers reaching out to customers present across the length and breadth of the country and ensuring that its products are available in the remotest parts of the country.

To serve our customers in a holistic way, D-Link India has invested in state of-the-art support infrastructure for both consumers and enterprises, which includes 11 D-Link own Service Centers with 50+ experts in Tier 1 cities, 23+ Partner Service Centers with 40+ experts in Tier 2/ Tier 3 cities, Partner Collection Points in 200+ cities and logistic support in 500+ cities.

D-Link Technical Support Centers (DTSC) is manned by 30+ highly skilled engineers providing L1~L3 support for all our retail and enterprise customers. Further our customers can also interact with the technical experts present across various centers and have hands-on product experience with live demos. It is a matter of great pride for the organization that its TCE (Total Customer Experience) score has consistently been above 95%.

Product & Solutions:

Network Switching:

D-Link completed the development of Nuclias Connect, a cloud management platform with switch series and hardware controllers, etc. The Company also developed and launched the DSS network surveillance switch series; and strengthened the industrial switch series products. D-Link has a comprehensive 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.

As network traffic continues to rise, the switch market will continue to grow, a series of relevant 10G/100GbE Ethernet switches to effectively alleviate the server congestion and congestion backbone network. In addition, Data Center switches, PoE switches (surveillance switches) for camera deployment, and enterprise wireless cloud switches are also under continuous development.

D-Link offers a wide variety of data solutions to meet the specific requirements of a smart city communication network, playing a pivotal role in designing the network and providing the essential building blocks. D-Link offers a range of managed switch products including Layer 3, Layer 2+ technologies ready for next generation IP networks.

D-Link's comprehensive section 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 include Unmanaged, Smart, Managed, xStack, Chassis and Unified Wireless.

Industrial Switching:

This year D-Link extended its portfolio by introducing an extensive line-up of Industrial grade Ethernet switches. D-Link has multiple series of Industrial grade switches with options like rail mount, rack mount that shall provide users with best-fit solutions. D-Link Industrial switches are designed to operate in extreme weather, resist shock/vibration, and surge ratings, thereby offering high reliability.

D-Link Industrial switches can withstand harsh environmental conditions and are suited for controlled and challenging needs of Oil & Gas industry, Shipping, Manufacturing etc. With their strong build, the whole family of Industrial switches are certified against vibration, shock and free-fall. The industrial product range created to withstand extreme heat and below-freezing temperatures. The switches are designed to easily handle hot and cold temperature variances and can cold start at their coldest temperatures. With superior environmental protections to commercial switches, these switches are reliable in a huge variety of field applications.

Wireless:

D-Link successfully launched a full series of Wi-Fi 6 routers; introduced the COVR-1100 wireless mesh router and a new wall-mounted Wi-Fi base station; as well as enhanced the entry-level (AC1200) product line and provided value-added software functions. 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.

The Company's Wi-Fi 6 products and mesh routers have built-in AI functions which allow consumers to better experience the product's speed, convenience, smoothness and security. Due to the pandemic in 2020, wireless products experienced a short-term boom, benefiting from the work from home economy, such as remote work and learning. Shipment growth in the first half of the year is expected to slow down due to the impact from core chipset shortages in 2021.

In the future, the Company will expand its product series and enhance the added value of its customized software and hardware, while strengthening its bids for telecommunications projects. The pandemic has increased the demand for broadband access, which is still expected to grow considerably this year.

Structured Cabling:

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.

Surveillance Solutions:

In recent years, the competition in the IP Camera market has been fierce, and AI wireless network cameras with AI analysis functions have become mainstream. Due to the rise of handheld smart devices and various cloud applications, coupled with increasing demand for security surveillance, the market still maintains a high compound annual growth rate. With the continued investment in R&D by the parent, application of higher than industry network security standards, strengthening of the integration of AI functions, and increases of affordable cloud applications, device sales and the proportion of service fee income are expected to increase.

D-Link surveillance products are in demand with wide acceptance from various industry verticals. 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. D-Link Surveillance solution boasts of the highest degree of scalability and can easily adapt to the existing IP infrastructure. The advanced features such as high security encryption, superb image quality, digital zoom, and remote accessibility surpasses the most cutting-edge technologies available today.

While D-Link continues to be one of the key players in IP Surveillance domain, it also expanded its product portfolio by venturing into CCTV segment. D-Link CCTV range includes Analog HD Camera, DVR, DVR Enclosure, and CCTV Cable. D-Link with its CCTV Analog HD is set to address the growing demand from Residential, SOHO, SME, Banking, Hospitality and other commercial establishments. With resolution starting from 1 MP which goes up to 5 MP, D-Link Analog HD cameras are well suited for both indoor and outdoor applications. Amazing clarity, sturdy looks, superlative quality, and most importantly backed by D-Link's excellent support infrastructure.

Financial Performance

The revenue for the current year is ₹71,067.57 lakhs as compared to ₹72,552.56 lakhs in the previous year. Revenue from operations of your Company has declined due to ongoing pandemic - COVID-19.

The Profit before Tax and Depreciation for the year under review is ₹3,966.27 lakhs as against ₹4,340.83 lakhs in the previous year.

Profit after Tax during FY 2020-21 stood at ₹2,932.19 lakhs as against ₹3,408.19 lakhs in the previous year.

Key Financial Ratios

Sr. No.	Particulars	FY 2021	FY 2020
1	Current Ratio	2.35	2.46
2	Quick Ratio	1.72	1.58
3	Gross Profit Ratio	10.04	10.22
4	Net Profit Ratio	4.13	4.70
5	Dividend Pay Out Ratio	21.79	15.63
6	Earning Per Equity Share	8.26	9.60
7	Net Profit to Net Worth Ratio	11.61	15.02
8	Inventory Ratio	7.81	7.29
9	Debtors Turnover Ratio	4.05	4.21

Human Resource Development

Your Company will continue to maintain its focus on Human Capital Management & Development, as it considers its people resources central to meeting its business objectives. 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.

To address the health challenges posed by COVID-19, your Company adopted work from home (WFH) during lockdown. Your Company took all possible steps to reassure its employees about their job continuity. The management remained in constant touch with their team members, keeping track of their well-being and morale. Your Company ensured all possible support to its employees in the event of any emergency.

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 284 people across India has assisted in driving our achievements and success.

Business 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 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 is 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

Tushar Sighat
Managing Director & CEO
DIN: 06984518

Mumbai dated: May 29, 2021

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 March 31, 2021. The Company at present has six Directors on its Board, comprising of one Executive Director and five Non-Executive Directors out of which three are Independent Directors including a woman director. The name and category of each Director is given below:

Name of the Director	Category
Mr. Hung Yi Kao	Non-Executive and Chairman
Mr. Tushar Sighat	Managing Director & Chief Executive Officer
Mr. Rajaram Ajgaonkar	Non-Executive and Independent
Mr. Satish Godbole	Non-Executive and Independent
Mr. Mukesh Lulla	Non-Executive Director
Ms. Madhu Gadodia	Non-Executive and Independent

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. Hung-Yi Kao	4	4	Present
Mr. Tushar Sighat	4	4	Present
Mr. Rajaram Ajgaonkar	4	4	Present
Mr. Satish Godbole	4	4	Present
Mr. Mukesh Lulla	4	4	Present
Ms. Madhu Gadodia	4	4	Present

2.3 Number of other Directorship and Chairmanship/Membership of Committees of each Director in other Companies as at March 31, 2021:

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. Hung-Yi Kao	Nil	Nil	Nil
Mr. Tushar Sighat	Nil	Nil	Nil
Mr. Rajaram Ajgaonkar	Nil	Nil	Nil
Mr. Satish Godbole	Nil	Nil	Nil
Mr. Mukesh Lulla	Nil	Nil	Nil
Ms. Madhu Gadodia	Nil	Nil	Nil

[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:

In view of COVID-19 pandemic exists throughout the year, board meetings were held in video conference mode as allowed under MCA Circular No.20/2020 dated 5th May, 2020 and SEBI SEBI/HO/CFD/CMD1/CIR/P/2020/79 12th May, 2020. Four Board Meetings were held during the Financial Year 2020-21 on the following dates:

June 27, 2020	August 10, 2020	November 7, 2020	February 6, 2021

During the year, a meeting of the Independent Directors was held on March 20, 2021. 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. 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	2,755,000
Mr. Satish Godbole	25

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. Detailed presentations were presented before the Independent Directors during the board meetings on Company's strategy, business model, operations, markets, risks, regulatory updates, etc.

The details of familiarisation programme has been displayed on website at: *http://www.dlink.co.in/corporate/investor/*

2.8 The board identified the core skills/expertise/competencies as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board:

Type of Skill, Expertise & Competences	Whether required in context of business	Whether the skill, expertise available with Board
Finance and Legal Compliance	√	√
IT & Technical	√	√
Business & Marketing	√	√

Name of the Directors	Finance and Legal	IT & Technical	Business & Marketing
Mr. Hung-Yi Kao	√	√	√
Mr. Tushar Sighat	√	√	√
Mr. Rajaram Ajgaonkar	√	√	√
Mr. Satish Godbole	√	√	√
Mr. Mukesh Lulla	√	√	√
Ms. Madhu Gadodia	√	√	√

2.9 Confirmation as regards Independence of Independent Directors:

The Independent Directors have also confirmed that they have complied with the Code for Independent Directors prescribed under Schedule IV of the Companies Act, 2013.

In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, and are independent of the management. During the year under review, there is no resignation of an independent director before the expiry of tenure.

3. AUDIT COMMITTEE:

3.1 Composition:

The Board has constituted audit committee with majority of its members being independent directors, including the Chairman. 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. Hung-Yi Kao	Member (Non Executive Director)
Ms. Madhu Gadodia	Member (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 June 27, 2020, August 10, 2020, November 07, 2020 and February 06, 2021 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. Hung-Yi Kao	4	4
Ms. Madhu Gadodia	4	4

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 September 25, 2020.

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) examine of the financial statement and the auditors' report thereon;

4) approve or any subsequent modification of transactions of the company with related parties;
5) scrutinize inter-corporate loans and investments;
6) perform valuation of undertakings or assets of the company, wherever it is necessary;
7) evaluate 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.
21) reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

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.

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

Name of the Director/Member	Category
Mr. Satish Godbole	Chairman (Independent Director)
Mr. Rajaram Ajgaonkar	Member (Independent Director)
Mr. Hung-Yi Kao	Member (Non Executive Director)
Ms. Madhu Gadodia	Member (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, based on the report of performance evaluation of independent directors.
6) recommend to the board, all remuneration, in whatever form, payable to senior management.

4.3 Meetings held and Attendance during the year:

During the year under review, the Company held three Nomination and Remuneration Committee meetings on June 27, 2020, November 07, 2020 and February 06, 2021. 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. Hung-Yi Kao	3	3
Ms. Madhu Gadodia	3	3

4.4 Performance Evaluation criteria for Independent Directors:

Pursuant to the provisions contained in Companies Act, 2013 and Schedule IV (Section 149(8)) of the Companies Act, and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Annual performance evaluation has been carried out of all the Directors, the Board, Chairman of the Board and the working of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

The performance evaluation of the Board of Directors was carried out based on the detailed questionnaire containing criteria such as duties and responsibilities of the Board, information flow to the Board, time devoted to the meetings, etc. Similarly, the evaluation of Directors was carried out on the basis of questionnaire containing criteria such as level of participation by individual directors, independent judgement by the director, understanding of the Company's business, etc. The performance evaluation of the Board and the Committees, viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee was done by all the Directors. The performance evaluation of the Independent Directors was carried out by the Board excluding the Director being evaluated. The performance evaluation of the Chairman and Executive Directors was carried out by all the Independent Directors.

Based on the feedback received from the Directors, the Board was of the opinion that the individual performance of the Independent Directors was effective for the financial year 2020-21.

4.5 Remuneration Policy:

In accordance with Section 178 of the Companies Act, 2013 and SEBI Listing Regulations, 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 and other matters have 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	Gross Dividend Paid during the year 2020-21 (Amt in ₹)
Mr. Mukesh Lulla	27,55,000/-
Mr. Satish Godbole	25/-

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 ₹50,000/- for attending each meeting of the Board, ₹50,000/- for attending each meeting of the Audit Committee, ₹25,000/- for each of the meetings of Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk management 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. Hung-Yi Kao	₹475,000/-
Mr. Rajaram Ajgaonkar	₹650,000/-
Mr. Satish Godbole	₹650,000/-
Mr. Mukesh Lulla	₹300,000/-
Ms. Madhu Gadodia	₹650,000/-

5.3 Disclosures with respect to remuneration:

- Executive Directors:

Executive Directors	Remuneration
Mr. Tushar Sighat	₹22,972,783/-

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

- Salient features of terms of appointment of Managing Director:

Particulars	
Name of the Directors	**Mr. Tushar Sighat**
Basic Salary	₹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 ₹600,000/- per month.
Special Allowances	₹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 ₹1,200,000/- per month.
Performance linked variable pay and / or any other compensation	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 ₹20,000,000/-per annum.
House Rent Allowances	House Rent Allowance equivalent to 40 % of the Basic Salary.
Perquisites	a) Use of Company's telephone and car for official duties. b) Reimbursement of all Medical expenses upto maximum of ₹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.
Terms of appointment	Appointed as Managing Director from November 2, 2020 for a period of three years.
Notice Period	Three months' notice in advance by either party.
Severance fees	Three months' salary in lieu of notice.

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. Rajaram Ajgaonkar	Member (Independent Director)
Mr. Tushar Sighat	Member (Executive Director)
Ms. Madhu Gadodia	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.

The role of the committee shall inter-alia include the following:

(1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

2) Review of measures taken for effective exercise of voting rights by shareholders.

3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/statutory notices by the shareholders of the company.

6.3 Meetings and Attendance during the year:

During the year under review, one meeting of the Stakeholders' Relationship Committee was held on June 27, 2020.

During the year, the Company had received 66 complaints from the shareholders relating to non-receipt of dividend and non-receipt of annual report. The complaints were attended and resolved to the satisfaction of the shareholders. As on March 31, 2021, no investor grievance has remained unattended.

The Chairman of the Committee Mr. Satish Godbole was present at the previous Annual General Meeting held on September 25, 2020.

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	Category
Mr. Tushar Sighat	Chairman (Executive Director)
Mr. Rajaram Ajgaonkar	Member (Independent Director)
Mr. Satish Godbole	Member (Independent Director)
Ms. Madhu Gadodia	Member (Independent Director)
Mr. Mukesh Lulla	Member (Non-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 Four CSR Committee meetings on June 27, 2020, August 10 2020, November 7, 2020 and February 6, 2021. The attendance of each member at this Committee Meeting is given below:

Name of the Director	Meetings held	Meetings attended
Mr. Tushar Sighat	4	4
Mr. Mukesh Lulla	4	4
Mr. Rajaram Ajgaonkar	4	4
Mr. Satish Godbole	4	4
Ms. Madhu Gadodia	4	4

8. RISK MANAGEMENT COMMITTEE:

Pursuant to SEBI Listing Regulations, the board of directors at its meeting held on May 29, 2021 has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The purpose of the committee is to assist the Board in fulfilling its responsibilities with regard to identification, evaluation and mitigation of operational and strategical risks. The Risk Management Committee has the overall responsibility of monitoring and approving risk policies and associated practices of the Company.

The composition of the Risk Management Committee is as under:

Name of the Director	Category
Mr. Tushar Sighat	Chairperson (Executive Director)
Mr. Rajaram Ajgaonkar	Member (Independent Director)
Mr. Mukesh Lulla	Member (Non-Executive Director)
Mr. Howard Kao	Member (Non-Executive Director)

The risk management committee has all the powers and responsibilities as specified under the SEBI Listing Regulations.

9. GENERAL BODY MEETINGS:

9.1 Location and time, where last three AGMs were held:

Date	Time	Location
September 25, 2020	11.00 a.m.	Through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
August 02, 2019	11.00 a.m.	Kesarval Gardens, Verna, Salcette, Goa – 403722
August 03, 2018	11.00 a.m.	

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
2019-20	September 25, 2020	- Re-appointment of Mr. Tushar Sighat as Managing Director & CEO.
2018-19	August 2, 2019	- Re-appointment of Mr. Rajaram Ajgaonkar & Mr. Satish Godbole as Independent Directors. - Variation in terms of appointment & payment of Remuneration to Mr. Tushar Sighat
2017-18	August 3, 2018	- Appointment and Payment of Remuneration to Managing Director & CEO

9.3 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.

Further, there is no immediate proposal for passing any resolution through postal ballot.

10. MEANS OF COMMUNICATION:

Particulars	
a) Quarterly Results	Quarterly results are published in one English National Daily and Local Daily, published in the language of the region where the registered office of the company is located.
b) Newspapers wherein results normally published	- In English: The Financial Express, The Navhind Times - In Marathi: Pudhari
c) Any website, where displayed	www.dlink.co.in
d) Whether it also displays Official News releases	None
e) The presentations made to Institutional Investors or to the Analysts	None

11. GENERAL SHAREHOLDER INFORMATION:

11.1 Annual General Meeting:

Date : September 3, 2021

Time : 11.00 a.m.

Venue : Through Video Conference and Audio-Visual means.

11.2 Financial Year 2020-21:

For the year ending March 31, 2022, the results will be announced as per the tentative schedules below:

Particulars	Date
First Quarter Results	On or before August 14, 2021
Second Quarter Results	On or before November 14, 2021
Third Quarter Results	On or before February 14, 2022
Audited Annual Results	On or before May 30, 2022

11.3 Dates of Book Closure:

The Register of Members and the Share Transfer Register will remain closed from August 21, 2021 to August 27, 2021 (both days inclusive).

11.4 Dividend Payment Date:

The Dividend will be paid to all shareholders on or after September 7, 2021.

11.5 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.

11.6 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:

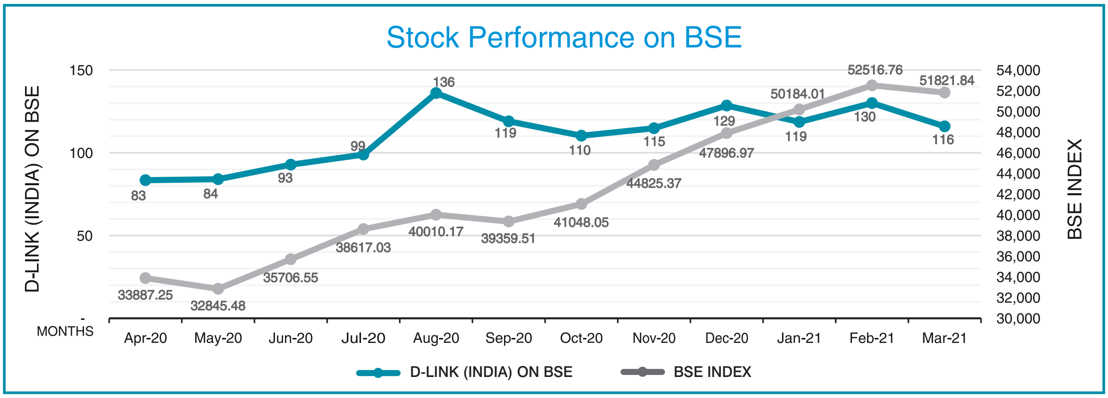
Depositories	ISIN
CDSL and NSDL	INE250K01012

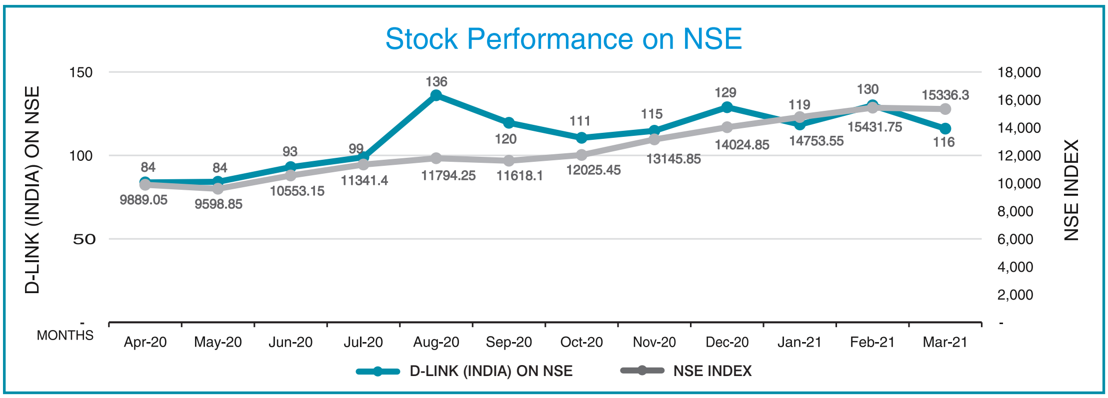
Corporate Identity Number (CIN): L72900GA2008PLC005775

11.7 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	DLINK (INDIA) on BSE		BSE Sensex		DLINK (INDIA) on NSE		NSE Index Nifty 50	
	High (₹)	Low (₹)	High	Low	High (₹)	Low (₹)	High	Low
Apr-20	83	59	33,887	27,501	84	58	9,889	8,056
May-20	84	67	32,845	29,968	84	67	9,599	8,807
Jun-20	93	77	35,707	32,348	93	77	10,553	9,544
Jul-20	99	81	38,617	34,927	99	82	11,341	10,300
Aug-20	136	84	40,010	36,911	136	84	11,794	10,882
Sep-20	119	96	39,360	36,496	120	96	11,618	10,790
Oct-20	110	92	41,048	38,410	111	92	12,025	11,347
Nov-20	115	93	44,825	39,335	115	95	13,146	5,189
Dec-20	129	100	47,897	44,118	129	99	14,025	12,963
Jan-21	119	100	50,184	46,160	119	100	14,754	13,597
Feb-21	130	102	52,517	46,434	130	101	15,432	13,662
Mar-21	116	98	51,822	48,236	116	98	15,336	14,264





11.8 Trading of securities:

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

The securities of the Company were not suspended from trading during the year.

11.9 Registrar and Share Transfer Agent:

KFin Technologies Private Limited
Unit : D-Link (India) Limited
KFintech Tower B, Plot No 31-32, Selenium building
Financial District, Nanakramguda,
Gachibowli, Hyderabad - 500 032
Toll Free No.: 1800-3454-001
Fax No. 040-23001153

11.10 Share Transfer System:

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of 15 days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by depositories through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

11.11 Distribution of Shareholding:

- Distribution of Shareholding as on 31st March 2020:

Sl. No.	Category	No. of Cases	% to Cases	Amount	% to Amount
1	1 - 5000	42476	98.51%	15806572	22.26%
2	5001 - 10000	355	0.82%	2598600	3.66%
3	10001 - 20000	159	0.37%	2430304	3.42%
4	20001 - 30000	49	0.11%	1224474	1.72%
5	30001 - 40000	24	0.06%	861514	1.21%
6	40001 - 50000	9	0.02%	401980	0.57%
7	50001 - 100000	27	0.06%	1893300	2.67%
8	100001 AND ABOVE	19	0.04%	45792956	64.49%
	TOTAL	**43,118**	**100.00%**	**71,009,700**	**100.00%**

- Share holding pattern as on 31st March 2021:

Sl. No.	Description	Total Cases	Total Shares	Total Cases %
1	Promoters	1	18,114,663	51.02
2	Resident Individuals	41,442	13,001,992	36.62
3	Directors	3	2,771,452	7.81
4	Bodies Corporates	178	474,367	1.34
5	H U F	784	463,478	1.31
6	Non-Resident Indians	343	229,209	0.65
7	Clearing Members	142	236,373	0.67
8	Non-Resident Indian Non Repatriable	188	163,099	0.46
9	I E P F	1	47,327	0.13
10	Employees	35	2,860	0.01
11	Banks	1	30	0.00
	TOTAL:	**43,118**	**35,504,850**	**100**

** Not consolidated based on PAN*

11.12 Dematerialization of Shares and Liquidity:

The total number of shares held in dematerialized form as on March 31, 2021 is 35,488,240 equity shares representing 99.95% of the total number of shares of the Company.

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

11.14 Plant Locations: Not applicable

11.15 Address for Correspondence:

Shareholders Correspondence should be addressed to:

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	Registrars & Share Transfer Agents KFin Technologies Private Limited Unit: D-Link (India) Limited Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana. Toll Free No.: 1800 309 4001 Email : einward.ris@kfintech.com

The Company maintains an exclusive email id: shares@dlink.co.in to redress the Investor's Grievances as required under Regulation 13 of SEBI (LODR) Regulations, 2015.

12. OTHER DISCLOSURES:

12.1 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 are disclosed in note No 40 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.

12.2 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

12.3 Details of establishment of vigil mechanism, whistle blower policy, and affirmation that no personnel have 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 and May 29, 2021), 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 who observes o r 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.

12.4 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.

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

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

12.7 The Company had obtained a certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority as at March 31, 2021. The Certificate is part of this report.

12.8 There is no instances where the board had not accepted any recommendation of any committee of the board which is mandatorily required, for the financial year ended March 31, 2021.

12.9 Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditors are disclosed in note 28 to the consolidated financial statement.

12.10 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on end of the financial year	Nil

12.11 There is no non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above.

12.12 **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. 33 to the standalone financial statements.

12.13 **Disclosure with respect to Demat Suspense Account / Unclaimed suspense account:**

There were no shares in the demat suspense account or unclaimed suspense account during the financial year 2020-21.

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

13. DISCRETIONARY REQUIREMENTS UNDER SCHEDULE II PART E OF THE SEBI LISTING REGULATIONS:

13.1 The Board of Directors:

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

13.2 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.

13.3 Modified opinion in audit reports:

For FY 2020-21, the Auditors have expressed an unmodified opinion on the Financial Statements of the Company. The Company continues to adopt best practices to ensure a regime of unmodified Financial Statements.

13.4 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 report to the Audit Committee.

For and on Behalf of the Board of Directors

Tushar Sighat
Managing Director& CEO
DIN: 06984518

Mumbai
Dated: May 29, 2021

Independent Auditors' Certificate on Corporate Governance

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE REQUIRED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 BY D-LINK (INDIA) LIMITED

To the members of **D-LINK (INDIA) LIMITED**

I have examined the compliance with conditions of Corporate Governance by D-LINK (INDIA) LIMITED (the Company) under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR Regulations") for the year ended 31st March 2021.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the LODR Regulations. This Certificate is issued pursuant to the requirements of Schedule V (E) of the LODR Regulations.

The compliance with conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to procedures adopted and implementation thereof, by the Company for ensuring compliance with the condition of Corporate Governance under LODR Regulations. The examination is neither an audit nor an expression of opinion on the financial statements of the Company.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

Shivaram Bhat
Practising Company Secretary
ACS No. 10454 & CP No. 7853
UDIN: A010454C000390141

Place : Panaji, Goa
Date : May 29, 2021

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, 2021, 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
Managing Director & CEO
DIN: 06984518

Mumbai, dated: May 29, 2021

Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
D-LINK (INDIA) LIMITED
Plot No. U02B, Verna Industrial Estate,
Verna, Goa - 403722

I have examined the relevant registers, records, forms, returns and disclosures received from Directors of **D-LINK (INDIA) LIMITED** having CIN L72900GA2008PLC005775 and having registered office at Verna, Salcette, Goa (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	Mr. Rajaram Moreshwar Ajgaonkar	00605034	30/03/2009
2	Mr. Satish Vishnu Godbole	02596364	31/03/2009
3	Mr. Tushar Sighat	06984518	30/09/2014
4	Mr. Mukesh Tirthdas Lulla	00524435	04/02/2016
5	Ms.Madhu Vishal Gadodia	07583394	27/08/2016
6	Mr. Hung-Yi Kao	08190631	04/08/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Shivaram Bhat
Practising Company Secretary
ACS No. 10454 & CP No. 7853
UDIN: A010454C000390121

Place : Panaji, Goa
Date : May 29, 2021

Independent Auditors' Report

To the Members of D-Link (India) Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of D-Link (India) Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Contingent liability - See note 36 to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
As at 31 March 2021, the Company is having pending litigation with Customs authorities which has been disclosed in detail refer Note No. 36. The Company had received Show cause notice (SCN) on 10 May 2019 and 13 June 2019 aggregating to ₹1,734.48 lakhs (excluding interest and penalty). The Company filed the reply against the above SCN's to Additional Director General (ADG), Adjudication, DRI, Mumbai on 21 November 2019. The Company received an order on 26 May 2020 from ADG, Adjudication, with a final demand of ₹54.54 lakhs (excluding interest). Based on the Order received, the Company has reversed the excess provision made of ₹ 457.17 lakhs, during the previous year ended 31 March 2020. On 11 December 2020, the Custom department has filed an appeal against one of the order, in Custom, Excise and Service Tax Appellate Tribunal, Mumbai. The Company is awaiting for hearing date. The matter is disclosed in the standalone financial statements under contingent liability. We focused on this area as eventual outcome of the claim is uncertain and position taken by the management is based on the application of significant judgment and estimation. Accordingly, unexpected outcome could significantly impact Company's profit and balance sheet position.	Our audit procedures included the following: - We discussed the status of significant and potential litigations with the management who have knowledge of these matters and we also obtained external confirmation from the Company's consultant. - Use of our own indirect tax specialist to assess the value of contingent liabilities in light of the nature of exposure, applicable regulations and related correspondence with the authorities. - Considering the adequacy of the provision and disclosure made in relation to matter.

Revenue recognition: Refer Note 2.2d for accounting policy and Note 20 for revenue details

The key audit matter	How the matter was addressed in our audit
The Company sells networking products and aims to offer high quality products to its customers. Revenue from sale of products is recognised when the risks and rewards of the underlying products as well as the control over the products have been transferred to the customer. This is based on the terms and conditions of the sales contracts entered into with the customers. We have identified recognition of revenue as a key audit matter as revenue is a key performance indicator. There is a risk of revenue being fraudulently overstated arising from pressure to achieve performance targets as well as meeting external expectations. There is also a risk of revenue being recognised in the wrong accounting period due to year-end sales cut-off issue.	Our audit procedures included the following: – Assessing the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards. – Testing the design, implementation and operating effectiveness of the Company's internal controls including general IT application/ controls over the Company's systems which govern recording of revenue. – Performing substantive testing by selecting samples using statistical sampling tool for revenue transactions recorded during the year, by verifying the underlying documents, which included sales invoices/ contracts and delivery/shipping documents. – Performing year-end sales cut-off testing (including sales booked after the year-end) for samples of sales recorded at year-end and after the year-end by verifying the underlying invoice, terms of delivery and delivery/shipping documents. – Assessing manual journals entries posted to revenue. – Evaluating the adequacy of the standalone financial statement disclosures.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

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

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows 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 Ind AS specified under Section 133 of the Act.
   e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
   i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its standalone financial statements - Refer Note 36 to the 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; and
   iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2021. Refer note 41 to the standalone financial statements.

   (C) With respect to the matter to be included in the Auditors' Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No. 113959
UDIN: 21113959AAAACY6712

Mumbai
29 May 2021

Annexure "A" to the Independent Auditors' Report

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the standalone financial statements for the year ended 31 March 2021, we report that:

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management during the year in line with its policy of verifying them annually. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In our opinion, and according to the information and explanation given to us, no material discrepancies were noticed upon such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.

(ii) The inventory of traded goods, except goods in transit, has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such physical verification. The discrepancies noted have been properly dealt in the books of accounts.

(iii) 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 Companies Act, 2013 ('the Act'). Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act, with respect to investments made. The Company has not granted any loans to or provided any guarantees or securities to parties covered under Section 185 or 186 of the Act, therefore the relevant provisions of Section 185 and 186 of the Act are not applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the products sold/services rendered by the Company. Accordingly, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Income-tax, Duty of customs, Goods and Services tax, and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. The amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues of provident fund and employees' state insurance dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there has been slight delays in few cases. As explained to us, the Company did not have any dues on account of duty of excise, Value added tax and Sales tax.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Duty of customs, Goods and Services tax, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income Tax, Duty of customs, Goods and Services tax, Value added tax and Central Sales tax as at 31 March 2021, which have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below :

Nature of statute	Nature of dues	Amount demanded (₹ lakhs)	Amount paid under protest (₹ lakhs)	Period to which amount relates	Forum where dispute is pending
Goa Value Added Tax Act, 2005	Value added tax	15.72	4.22	FY 2012-2013	Commercial Tax Officer
Central Sales Tax Act, 1956	Central sales tax	11.01	1.11	FY 2012-2013	Commercial Tax Officer
Customs Act, 1962	Custom Duty	940.48	323.19	FY2014-2015 to FY 2017-2018	Custom, Excise & Services Tax Appellate Tribunal, Mumbai

(viii) The Company has not taken any loans or borrowings from banks, financial institutions and government and has not issued any debentures during the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.

(ix) During the year, the Company did not raise money by way of initial public offer or further public offer (including debt instruments) or term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year nor have we been informed of any such case by the management.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3 (xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No. 113959
UDIN: 21113959AAAACY6712

Mumbai
29 May 2021

Annexure “B” to the Independent Auditors’ report

Annexure “B” to the Independent Auditors’ report on the standalone financial statements of D-Link (India) Limited for the year ended 31 March 2021.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2(A)(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of D-Link (India) Limited (“the Company”) as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of 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 (hereinafter referred to as “the Act”).

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Financial Statements

A company’s internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls with reference to financial statements include 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 financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm’s Registration No.: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No. 113959
UDIN: 21113959AAAACY6712

Mumbai
29 May 2021

Standalone Balance Sheet
as at March 31, 2021

(Currency: ₹ in Lakhs)

Particulars	Notes	As at March 31 2021	As at March 31 2020
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	3	1,533.27	1,599.32
(b) Right-of-use assets	3A	486.00	664.25
(c) Other intangible assets	3B	0.50	1.20
(d) Financial assets			
(i) Investments	4	1,650.00	1,650.00
(ii) Other financial assets	5	115.05	84.47
(e) Deferred tax assets (net)	6	236.90	269.62
(f) Non-current tax assets (net)	7	16.92	-
(g) Other non-current assets	8	-	-
Total Non-current Assets		**4,038.64**	**4,268.86**
Current Assets			
(a) Inventories	9	9,094.59	9,946.69
(b) Financial assets			
(i) Investments	4	4,853.10	2,215.27
(ii) Trade receivables	10	17,535.25	17,236.18
(iii) Cash and cash equivalents	11	1,589.93	824.56
(iv) Bank balances other than (iii) above	12	3,415.32	222.47
(v) Other financial assets	5	12.36	57.17
(c) Other current assets	8	934.83	1,314.75
Total Current Assets		**37,435.38**	**31,817.09**
Total Assets		**41,474.02**	**36,085.95**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	13	710.10	710.10
(b Other equity	14	24,554.71	21,977.27
Total Equity		**25,264.81**	**22,687.37**
LIABILITIES			
Non-current Liabilities			
(a) Financial liabilities			
(i) Lease liabilities	34	230.94	428.66
(ii) Other financial liabilities	15	30.47	26.99
Total Non-current Liabilities		**261.41**	**455.65**
Current Liabilities			
(a) Financial liabilities			
(i) Trade payables	16		
(A) total outstanding dues of micro enterprises and small enterprises; and		188.44	173.79
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		14,834.53	12,138.83
(ii) Lease liabilities	34	296.92	250.27
(iii) Other financial liabilities	15	12.13	11.03
(b) Other current liabilities	17	449.04	259.28
(c) Provisions	18	82.53	70.20
(d) Current tax liabilities (net)	19	84.21	39.53
Total Current Liabilities		**15,947.80**	**12,942.93**
Total Liabilities		**16,209.21**	**13,398.58**
Total Equity and Liabilities		**41,474.02**	**36,085.95**
Summary of significant accounting policies	2		
See accompanying notes to the standalone financial statements.	3-41		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W - 100022

Jayesh T Thakkar
Partner
Membership No. 113959

Mumbai, dated: May 29, 2021

For and on behalf of the Board of Directors of
D-Link (India) Limited
CIN: L72900GA2008PLC005775

Tushar Sighat
Managing Director & CEO
DIN No.: 06984518

Satish Godbole
Director
DIN No.: 02596364

Vinay Joshi
Chief Financial Officer
Membership No: 102223

Shrinivas Adikesar
Company Secretary
Membership No.: A20908

Mumbai, dated: May 29, 2021

Standalone Statement of Profit and Loss
for the year ended March 31, 2021

(Currency: ₹ in Lakhs)

Particulars	Notes	For the year ended March 31 2021	2020
I. Revenue from operations	20	71,067.57	72,552.56
II. Other income	21	597.46	770.58
III. Total income (I+II)		**71,665.03**	**73,323.14**
IV. Expenses			
Purchases of stock-in-trade	22	58,815.38	61,393.92
Changes in inventories of stock-in-trade	23	852.10	(1,658.90)
Employee benefits expense	24	2,717.41	2,614.20
Finance costs	25	63.29	38.30
Depreciation and amortisation expense	26	386.83	420.28
Other expenses	27	4,863.75	6,174.51
Total expenses		**67,698.76**	**68,982.31**
V. Profit before exceptional items and tax (III-IV)		**3,966.27**	**4,340.83**
VI. Exceptional item	35	**-**	**(457.17)**
VII. Profit before tax (V-VI)		**3,966.27**	**4,798.00**
VIII. Tax expense			
Current tax	28	1,017.46	1,095.11
Deferred tax	6	32.62	254.22
Short / (Excess) provision for tax in respect of earlier years charged / (written back)	28	(16.00)	40.48
		1,034.08	1,389.81
IX. Profit for the year (VII-VIII)		**2,932.19**	**3,408.19**
X. Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plan		0.39	(10.68)
(ii) Income tax relating to items that will not be reclassified to profit or loss		(0.10)	2.69
Total other comprehensive (loss) / income (net of taxes)		**0.29**	**(7.99)**
XI. Total comprehensive income for the year (IX+X)		**2,932.48**	**3,400.20**
XII. Earnings per equity share (EPS)	29		
(Face value of ₹ 2/- per share)			
Basic and diluted earnings per share (in ₹)		8.26	9.60
Summary of significant accounting policies	2		
See accompanying notes to the standalone financial statements.	3-41		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W - 100022

Jayesh T Thakkar
Partner
Membership No. 113959

Mumbai, dated: May 29, 2021

For and on behalf of the Board of Directors of
D-Link (India) Limited
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Tushar Sighat
Managing Director & CEO
DIN No.: 06984518

Satish Godbole
Director
DIN No.: 02596364

Vinay Joshi
Chief Financial Officer
Membership No: 102223

Shrinivas Adikesar
Company Secretary
Membership No.: A20908

Mumbai, dated: May 29, 2021

Standalone Cash Flow Statement
for the year ended Mach 31, 2021

(Currency: ₹ in Lakhs)

Particulars	For the year ended March 31	
	2021	2020
Cash flows from operating activities		
Profit before tax	**3,966.27**	**4,798.00**
Adjustments for:		
Finance costs	63.29	38.30
(Gain) / Loss on disposal of property, plant and equipment	(0.41)	(1.01)
Mark to Market - current investments measured at FVTPL	(103.11)	(15.27)
Net gain on sale of current investments	(31.05)	(59.74)
Mark to Market - forward contract measured at FVTPL	10.35	(20.55)
Bad debts written off	18.35	299.79
Sundry balances written back	(15.65)	-
Interest income	(96.45)	(1.49)
Allowance for expected credit loss and credit impared on trade receivables and advances (written back) / charged	62.89	(519.99)
Depreciation on Right of Asset	298.46	322.80
Depreciation and amortisation expense	88.37	97.48
(Gain) / Loss on unrealised foreign exchange fluctuations (net)	(8.02)	7.65
	4,253.29	**4,945.97**
Adjustments for:		
(Increase) / Decrease in trade and other receivables	(387.74)	1,431.17
Decrease / (Increase) in inventories	852.10	(1,658.90)
Decrease in other non-current assets	-	19.39
(Increase) in other non-current financial assets	(30.58)	(29.96)
Decrease in other current financial assets	34.46	18.06
(Decrease) / Increase in other current assets	379.92	(397.58)
Increase in trade and other payables	2,741.45	328.72
Increase / (decrease) in non-current provisions	-	(11.62)
Increase in current provisions	12.33	26.89
Increase in other current financial liabilities	1.10	-
Increase in other non-current financial liabilities	3.48	-
Increase / (decrease) in other current liabilities	189.76	(668.99)
	3,796.28	**(942.82)**
Cash generated from operations	8,049.57	4,003.15
Income taxes paid	(973.31)	(1,208.72)
Net cash (used in) / generated from operating activities (A)	**7,076.26**	**2,794.43**
Cash flows from investing activities		
Payments for purchase of investments in mutual funds	(9,500.00)	(54,575.00)
Proceeds on sale of Investments in mutual funds	6,996.33	53,135.53
Payments for Investments in fixed deposits with bank	(3,192.85)	(203.48)
Interest received	96.45	1.49
Payments for purchases of property, plant and equipment	(21.62)	(50.49)
Proceeds on sale of property, plant and equipment	0.41	1.01
Net cash (used in) investing activities (B)	**(5,621.28)**	**(1,690.94)**
Cash flows from financing activities		
Dividends paid (including Corporate Dividend tax)	(355.04)	(639.91)
Interest paid	(63.29)	(38.30)
Payments for Lease liabilities	(271.28)	(308.12)
Net cash (used in) financing activities (C)	**(689.61)**	**(986.33)**
Net (decrease) / increase in cash and cash equivalents (D)=(A)+(B)+(C)	**765.37**	**117.16**
Cash and cash equivalents at the beginning of the year (E)	824.56	707.40
Cash and cash equivalents at the end of the year (D)+(E)	**1,589.93**	**824.56**
(Refer Note 11)		

Notes:
1. The standalone statement of cash flows is prepared by the indirect method set out in Ind AS 7 on statement of cash flows and presents the cash flows by operating, investing and financing activities of the Company.
2. Cash and Cash equivalents presented in the standalone statement of cash flows consist of cash on hand and unencumbered bank balances.
3. The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W - 100022

Jayesh T Thakkar
Partner
Membership No. 113959

Mumbai, dated: May 29, 2021

For and on behalf of the Board of Directors of D-Link (India) Limited
CIN: L72900GA2008PLC005775

Tushar Sighat
Managing Director & CEO
DIN No.: 06984518

Satish Godbole
Director
DIN No.: 02596364

Vinay Joshi
Chief Financial Officer
Membership No: 102223

Shrinivas Adikesar
Company Secretary
Membership No.: A20908

Mumbai, dated: May 29, 2021

Standalone Statement of Changes in Equity
for the year ended March 31, 2021

(a) Equity share capital

(Currency: ₹ in Lakhs)

Particulars	Notes	As at March 31	
		2021	2020
As at the beginning of the year	13	710.10	710.10
As at end of the year		**710.10**	**710.10**

(b) Other equity

(Currency: ₹ in Lakhs)

Particulars	Notes	Securities premium	General reserve	Retained earnings	Total
As at April 1, 2019	**14**	3,591.34	1,022.81	14,604.96	19,219.11
Profit for the year		-	-	3,408.19	3,408.19
Other comprehensive income for the year, net of tax		-	-	(7.99)	(7.99)
Total comprehensive income for the year ended March 31, 2020		**-**	**-**	**3,400.20**	**3,400.20**
Dividend Paid		-	-	(532.57)	(532.57)
Corporate tax on Dividends		-	-	(109.47)	(109.47)
As at March 31, 2020	**14**	**3,591.34**	**1,022.81**	**17,363.12**	**21,977.27**
Profit for the year		-	-	2,932.19	2,932.19
Other comprehensive income for the year, net of tax		-	-	0.29	0.29
Total comprehensive income for the year ended March 31, 2021		**-**	**-**	**2,932.48**	**2,932.48**
Dividend Paid		-	-	(355.04)	(355.04)
Corporate tax on Dividends		-	-	-	-
As at March 31, 2021	**14**	**3,591.34**	**1,022.81**	**19,940.56**	**24,554.71**

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W - 100022

Jayesh T Thakkar
Partner
Membership No. 113959

Mumbai, dated: May 29, 2021

For and on behalf of the Board of Directors of
D-Link (India) Limited
CIN: L72900GA2008PLC005775

Tushar Sighat
Managing Director & CEO
DIN No.: 06984518

Satish Godbole
Director
DIN No.: 02596364

Vinay Joshi
Chief Financial Officer
Membership No: 102223

Shrinivas Adikesar
Company Secretary
Membership No.: A20908

Mumbai, dated: May 29, 2021

1 Background of the Company

D-Link (India) Limited ("The Company") was incorporated on May 26, 2008 under Companies Act, 1956. The Company is a subsidiary of D-Link Holding Mauritius Inc. and is primarily engaged in marketing and distribution of Networking products. The Company operates through a distribution network with a wide range of product portfolio and solutions with a nationwide reach across India. The equity shares of the Company are listed on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).

The registered office of the Company is "Plot no. U02B, Verna Industrial Estate, Verna, Salcette, Goa - 403 722, India" and the corporate office is at Unit no. 24, 2nd Floor, Kalpataru Square, Kondivita lane, Andheri-East, Mumbai - 400059.

The financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on May 29, 2021.

2 Basis of preparation and Significant accounting policies

2.1 Basis of preparation

a Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

b Functional and presentation currency

The standalone financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency and all values are rounded to the nearest lakhs, except where otherwise indicated.

c Basis of measurement

The standalone financial statements have been prepared on the accrual basis and under historical cost convention, except for certain financial instruments that are measured at fair values at the reporting date:

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value (refer accounting policy regarding financial instruments), and
- Net defined benefit liability/asset

d Significant accounting estimates, assumptions and judgments

In application of the Company's accounting policies, which are described in note 2.2, the management of the Company are required to make judgements, estimates and assumptions about the carrying amounts of revenues, expenses, assets, liabilities, the accompanying disclosures, and the disclosure of contingent liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively.

Estimates and assumptions

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2021 is included in the following notes :

- Note 6 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.
- Note 31 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 36 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 9 - Provision for inventory obsolescence
- Note 10 - Impairment of financial assets (i.e. expected credit loss on trade receivables)
- Impairment of non-financial assets

e Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

2 Basis of preparation and Significant accounting policies (contd.)

2.1 Basis of preparation (contd.)

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the reporting date during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 4 - Investments (Current)
- Note 34 - Fair value measurements

2.2 Significant accounting policies

a Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation has been provided on straight-line method. The estimated useful life which is in line with Schedule II to the the Act is set out herein below.

Plant and machinery	-	15 years
Office premises	-	60 years
Office equipments	-	3 to 6 years
Furniture and fixtures	-	10 years
Electrical installations	-	10 years
Vehicles	-	8 years

Assets costing less than ₹ 5,000 are fully depreciated in the year of acquisition.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the standalone statement of profit and loss when the asset is derecognised.

Depreciation method, useful lives and residual values are reviewed at each reporting dates and adjusted if appropriate. The management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciations on additions / disposals is provided on a pro-rata basis i.e. from / upto the date on which asset is ready for use / disposed of.

For transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

b Intangible assets

Intangible assets are stated at their cost of acquisition, less accumulated amortisation and impairment losses. An intangible asset is recognised, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The amortisable amount of intangible assets is allocated over the best estimate of its useful life on a straight-line basis. The estimated useful life and amortisation method are reviewed at each reporting date.

The Company capitalises software costs where it is reasonably estimated that the software has an enduring useful life. Software is amortised over the management's estimate of its useful life of five years and it is included in depreciation and amortisation expense in standalone statement of profit and loss.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the standalone statement of profit and loss when the asset is derecognised.

c Impairment of non-financial assets

Non-financial assets are reviewed at each reporting date to determine whether there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the standalone statement of profit and loss.

2 Basis of preparation and Significant accounting policies (contd.)

2.2 Significant accounting policies (Continued)

The Company's corporate assets (e.g. central office building for providing support to various cash-generating units) do not generate independent cash inflows. To determine impairment of corporate asset, recoverable amount is determined for the cash-generating units to which the corporate asset belongs.

The recoverable amount of a cash generating unit (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the cash generating unit (or the asset).

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the standalone statement of profit and loss.

d Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Income from services rendered is recognised based on agreements/arrangements with the customers as the service is performed and there are no unfulfilled obligations.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent. In determining the transaction price, the Company considers below, if any:

- Variable consideration - This includes bonus, incentives, discounts etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at the end of reporting date.

- Significant financing component - The Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

- Consideration payable to a customer – Such amounts are accounted as reduction of transaction price and therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Company.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

Interest income on fixed deposit is accounted on accrual basis.

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

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

e Inventories

Stock-in-trade are valued at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated cost of completion and cost necessary to make the sale. The comparison of cost and net realisable value is made on item-by-item basis.

Cost of Stock-in-trade is determined by the weighted average cost method. Cost of Stock-in-trade comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an inventory review at each reporting date and makes provision against obsolete and slow-moving items. The Company reassesses the estimation on each reporting date.

f Employee benefits

i. Short-term employee benefits

Employee benefits such as salaries, allowances, bonus and ex-gratia, which fall due for payment within a period of twelve months after rendering service, are measured on an undiscounted basis. It is charged as expense to standalone statement of profit and loss in the period in which the service is rendered.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contribution to a Government administered scheme and has no obligation to pay any further amounts. The Company's monthly contribution to Provident Fund and Employee's State Insurance Scheme are considered as defined contribution plans and are charged as an expense in the standalone statement of profit and loss, based on the amount of contribution required to be made and when services are rendered by the employees.

2 Basis of preparation and Significant accounting policies (contd.)

2.2 Significant accounting policies (Continued)

iii. Defined benefit plans

Employee benefits under defined benefit plans such as gratuity which fall due for payment 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 reporting date. The Company's obligation recognised in the standalone balance sheet represents the present value of obligations as reduced by the fair value of plan assets.

Actuarial gains or losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest) are recognised immediately in other comprehensive income. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to the standalone statement of profit and loss. Past service cost is recognised in the standalone statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The defined benefit obligation recognised in the standalone balance sheet represents the actual deficit or surplus on the Company's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

iv. Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability on the basis of an independent actuarial valuation carried out at the reporting date, using the projected unit credit method. Actuarial gains or losses are recognised in the standalone statement of profit and loss in the year in which they occur.

g Foreign currency transactions

Transactions in foreign currencies are recognised at the rates of exchange prevailing at the date of the transaction.

At the end of each reporting date, monetary items denominated in foreign currencies are restated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in the standalone statement of profit and loss in the year in which they arise.

h Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the standalone statement of profit and loss in the period in which they are incurred.

i Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current and deferred tax are recognised in the standalone statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amount, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax is not recognised for :

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting date, to recover or settle the carrying amount of its assets and liabilities.

2 Basis of preparation and Significant accounting policies (contd.)

2.2 Significant accounting policies (Continued)

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

j Cash dividends

The Company recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. An interim dividend is recorded as a liability on the date of declaration by the Board of Directors.

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.

k Earnings per share (‘EPS’)

Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

l Leases

The Company has adopted Ind AS 116 Leases effective from April 1 2019 using modified retrospective approach.

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contact involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of- use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company’s incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including insubstance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

The Company’s leases comprise buildings for warehouse facilities and office premises.

m Provisions and contingent liability

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non—occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the standalone financial statements.

Contingent liabilities are reviewed at each reporting date.

n Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ‘FVTPL’) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through standalone statement of profit and loss are recognised immediately in the standalone statement of profit or loss.

2 Basis of preparation and Significant accounting policies (contd.)

2.2 Significant accounting policies (Continued)

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the standalone statement of profit and loss and is included in the “Other income” line item.

Financial assets at FVTPL

Debt instruments that do not meet the amortised cost criteria or Fair value through other comprehensive income ‘FVTOCI’ criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting date, with any gains or losses arising on remeasurement recognised in the standalone statement of profit and loss. The net gain or loss recognised in the standalone statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the ‘Other income’ line item. Dividend on financial assets at FVTPL is recognised when the Company’s right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Investment in Subsidiary

Investment in Subsidiary is carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognised in the standalone statement of profit and loss.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

For trade receivables and any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IND AS 115 Revenue from contracts, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under IND AS 109 Financial instruments.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting date.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in standalone statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

2 Basis of preparation and Significant accounting policies (contd.)

2.2 Significant accounting policies (Continued)

Financial liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting years. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting date, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the standalone statement of profit and loss.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109 Financial instruments. A financial liability (or a part of a financial liability) is derecognized from the Company’s standalone balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Derivative financial instruments

The Company enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks.

These contracts are initially recognised at fair value at the date the same are entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognised in the standalone statement of profit and loss immediately, unless the contract is designated and effective as a hedging instrument, in which event the timing of the recognition in the standalone statement of profit and loss depends on the nature of hedging relationship and the nature of the hedged item.

o Standards issued but not effective

On March 24,2021, the Ministry of Corporate Affairs {“MCA”} through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April1,2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head ‘financial liabilities’, duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under’ ‘additional regulatory requirement’ such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

- Additional disclosure relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

3 Property, plant and equipments (PPE)

(Currency: ₹ in Lakhs)

Description of Assets	Plant and Machinery	Office premises	Office equipments	Furniture and fixtures	Electrical installations	Vehicles	Total
I. Cost							
Balance as at April 1, 2020	**37.42**	**1,537.84**	**168.37**	**142.73**	**15.83**	**69.59**	**1,971.78**
Additions	0.15	-	17.08	3.43	0.96	-	21.62
Disposals	-	-	(5.38)	-	-	-	(5.38)
Balance as at March 31, 2021	**37.57**	**1,537.84**	**180.07**	**146.16**	**16.79**	**69.59**	**1,988.02**
II. Accumulated depreciation for the year ended March 31, 2021							
Balance as at April 1, 2020	**(13.10)**	**(113.18)**	**(112.52)**	**(96.53)**	**(11.97)**	**(25.16)**	**(372.46)**
Depreciation for the year	(3.04)	(28.27)	(25.10)	(20.42)	(2.48)	(8.36)	(87.67)
Eliminated on disposal of assets	-	-	5.38	-	-	-	5.38
Balance as at March 31, 2021	**(16.14)**	**(141.45)**	**(132.24)**	**(116.95)**	**(14.45)**	**(33.52)**	**(454.75)**
Net block (I+II)	**21.43**	**1,396.39**	**47.83**	**29.21**	**2.34**	**36.07**	**1,533.27**

Description of Assets	Plant and Machinery	Office premises	Office equipments	Furniture and fixtures	Electrical installations	Vehicles	Total
I. Cost							
Balance as at April 1, 2019	**36.03**	**1,537.84**	**134.37**	**140.75**	**15.83**	**69.59**	**1,934.41**
Additions	1.39	-	47.12	1.98	-	-	50.49
Disposals	-	-	(13.12)	-	-	-	(13.12)
Balance as at March 31, 2020	**37.42**	**1,537.84**	**168.37**	**142.73**	**15.83**	**69.59**	**1,971.78**
II. Accumulated depreciation for the year ended March 31, 2020							
Balance as at April 1, 2019	**(9.22)**	**(84.83)**	**(97.63)**	**(72.93)**	**(8.92)**	**(16.78)**	**(290.31)**
Depreciation for the year	(3.88)	(28.35)	(28.01)	(23.60)	(3.05)	(8.38)	(95.27)
Eliminated on disposal of assets	-	-	13.12	-	-	-	13.12
Balance as at March 31, 2020	**(13.10)**	(113.18)	(112.52)	(96.53)	(11.97)	(25.16)	(372.46)
Net block (I+II)	**24.32**	**1,424.66**	**55.85**	**46.20**	**3.86**	**44.43**	**1,599.32**

(Currency: ₹ in Lakhs)

3A Right-of-use asset (ROU assets)

Description of assets	Leased warehouse and office premises	Total
I. Cost		
Balance as at April 1, 2020	**987.05**	**987.05**
Additions	120.21	120.21
ROU Security Deposit	-	-
Balance as at March 31, 2021	**1,107.26**	**1,107.26**
II. Accumulated depreciation for the year ended March 31, 2021		
Balance as at April 1, 2020	**(322.80)**	**(322.80)**
Depreciation for the year	(298.46)	(298.46)
Balance as at March 31, 2021	**(621.26)**	**(621.26)**
Net block (I+II)	**486.00**	**486.00**

Description of assets	Leased warehouse and office premises	Total
I. Cost		
Balance as at April 1, 2019	**315.34**	**315.34**
Additions	671.71	671.71
Balance as at March 31, 2020	**987.05**	**987.05**
II. Accumulated depreciation for the year ended March 31, 2020		
Balance as at April 1, 2019	**-**	**-**
Depreciation for the year	(322.80)	(322.80)
Balance as at March 31, 2020	**(322.80)**	**(322.80)**
Net block (I+II)	**664.25**	**664.25**

Notes:

1. The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the Standalone statement of profit and loss.
2. Refer note no. 35 “Leases” for ROU assets movement.

3B Intangible assets

Particulars	Total
Computer software	
Balance as at April 1, 2020	**14.23**
Additions during the year	-
Balance as at March 31, 2021	**14.23**
Accumulated amortisation for 2020-21	
Balance as at April 1, 2020	**(13.03)**
Amortisation expense for the year	(0.70)
Balance as at March 31, 2021	**(13.73)**
Net block as at March 31, 2021	**0.50**

Particulars	Total
Computer software	
Balance as at April 1, 2019	**14.23**
Additions during the year	-
Balance as at March 31, 2020	**14.23**
Accumulated amortisation for 2019-20	
Description of Assets	**(10.82)**
Amortisation expense for the year	(2.21)
Balance as at March 31, 2020	**(13.03)**
Net block as at March 31, 2020	**1.20**

(Currency: ₹ in Lakhs)

4 Investments

Non-current

Particulars	As at March 31 2021	As at March 31 2020
Unquoted investments		
Investment in Equity Instruments (at cost) in Subsidiary Company. (Refer note below)	1,650.00	1,650.00
Total	**1,650.00**	**1,650.00**
Aggregate amount of impairment in the value of investments	-	-

The Company holds 10,499 Equity shares of ₹10/- each fully paid-up i.e. 99.99% equity shares in TeamF1 Networks Private Limited which is incorporated in India. (March 31, 2020 : 10,499 Equity shares of ₹10/- each fully paid-up i.e. 99.99% equity shares).

Current

Particulars	As at March 31, 2021		As at March 31, 2020	
	Nos. of Units	Amount	Nos. of Units	Amount
Unquoted investments				
Investment in mutual funds (at fair value through profit and loss)				
Aditya Birla Sun Life Liquid Fund - Growth - Direct	-	-	94,902.09	303.27
Mahindra Liquid Fund - Direct - Growth	-	-	19,500.20	251.30
ICICI Prudential Liquid Fund - Direct Plan Growth	201,325.10	613.51	51,739.43	152.00
HDFC Liquid Fund -Direct Plan - Growth Option	12,523.80	506.65	-	-
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan	215,591.59	714.76	-	-
Nippon India Liquid Fund - Direct Plan -Growth Plan	13,181.65	663.38	6,220.26	301.73
Axis Liquid Fund - Growth - Regular	31,229.10	709.75	-	-
UTI Liquid Cash Plan - Direct Grwoth Plan	16,621.27	560.22	9,285.93	301.93
LIC MF Liquid Fund - Direct Plan - Growth	12,397.64	463.28	8,371.50	301.70
SBI Liquid Fund Direct Growth	12,734.97	410.27	6,456.23	200.70
Tata Liquid Fund Regular Plan Growth	6,551.86	211.28	12,931.77	402.64
Total		**4,853.10**		**2,215.27**
Aggregate amount of impairment in the value of investments		-		-

5 Other financial assets (Unsecured, considered good)

Non-current

Particulars	As at March 31 2021	As at March 31 2020
Security deposits	115.05	84.47
Total	**115.05**	**84.47**

Current

Particulars	As at March 31 2021	As at March 31 2020
Security deposits	10.25	44.71
Forward contract assets	2.11	12.46
Total	**12.36**	**57.17**

There are no other financial assets which have a significant increase in credit risk or are credit impaired.

6 Deferred tax assets (net)

(Currency: ₹ in Lakhs)

The following is the analysis of deferred tax assets/(liabilities) presented in the Standalone balance sheet:

Particulars	As at March 31	
	2021	2020
Deferred tax assets	416.26	438.65
Deferred tax liabilities	(179.36)	(169.03)
Net	**236.90**	**269.62**

Year ended March 31, 2021

Particulars	Opening balance	Recognised in statement of profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets / (liabilities) in relation to:				
Provision for inventory obsolescence	142.18	(26.46)	-	115.72
Provision for doubtful advances	73.09	(8.28)	-	64.81
Provision for doubtful debts	48.52	15.83	-	64.35
Defined benefit obligation	4.30	3.10	(0.10)	7.30
Disallowance under section 43B of Income Tax Act, 1961	13.37	-	-	13.37
Expenses disallowed pursuant to Section 40 (i) (a) of Income Tax Act, 1961	157.18	(6.51)	-	150.67
Intangible assets	(0.05)	0.08	-	0.03
Others	0.01	-	-	0.01
Deferred tax assets	**438.60**	**(22.24)**	**(0.10)**	**416.26**
Property, plant and equipment	(154.99)	(8.95)	-	(163.94)
Others	(13.99)	(1.43)	-	(15.42)
Deferred tax liabilities	**(168.98)**	**(10.38)**	**-**	**(179.36)**
Total	**269.62**	**(32.62)**	**(0.10)**	**236.90**

Year ended March 31, 2020

Particulars	Opening balance	Recognised in statement of profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets / (liabilities) in relation to:				
Provision for inventory obsolescence	253.55	(111.37)	-	142.18
Provision for doubtful advances	56.03	17.06	-	73.09
Provision for doubtful debts	249.03	(200.51)	-	48.52
Defined benefit obligation	-	1.61	2.69	4.30
Disallowance under section 43B of Income Tax Act, 1961	15.46	(2.09)	-	13.37
Expenses disallowed pursuant to Section 40 (i) (a) of Income Tax Act, 1961	148.12	9.06	-	157.18
Others	0.01	-	-	0.01
Deferred tax assets	**722.20**	**(286.24)**	**2.69**	**438.65**
Property, plant and equipment	(200.44)	45.45	-	(154.99)
Intangible assets	(0.61)	0.56		(0.05)
Others	-	(13.99)	-	(13.99)
Deferred tax liabilities	**(201.05)**	**32.02**	**-**	**(169.03)**
Total	**521.15**	**(254.22)**	**2.69**	**269.62**

7 Non-current tax assets

(Currency: ₹ in Lakhs)

Particulars	As at March 31 2021	As at March 31 2020
Current tax liabilities		
Provision for Income Tax	(2,362.11)	-
Less : Advance payment of taxes	2,379.03	-
Total	**16.92**	**-**

8 Other assets

Non current

Particulars	As at March 31 2021	As at March 31 2020
Recoverable from government authorities :		
Unsecured, Considered good	-	-
Unsecured, Considered doubtful	56.96	56.96
Less : Provision	(56.96)	(56.96)
Advances to suppliers		
Unsecured, Considered doubtful	-	12.91
Less : Provision	-	(12.91)
Total	**-**	**-**

Current

Particulars	As at March 31 2021	As at March 31 2020
Unsecured, Considered good :		
Customs and other duties recoverable	736.74	1,034.44
Advances to suppliers	70.19	115.14
Advance to employees	5.43	8.11
Prepaid expenses	122.47	132.06
Advance to Gratuity Trust	-	25.00
Total	**934.83**	**1,314.75**

9 Inventories

Particulars	As at March 31 2021	As at March 31 2020
Inventories (lower of cost and net realisable value)		
Stock-in-trade - Networking products	6,120.32	6,867.16
Stock-in-trade - Networking products - Goods-in-transit	2,974.27	3,079.53
Total	**9,094.59**	**9,946.69**

The cost of stock-in-trade is net of provision in respect write-down of inventories to net realisable value amounting to ₹459.75 Lakhs (as at March 31, 2020 : ₹564.89 Lakhs).

10 Trade receivables

Particulars	As at March 31 2021	As at March 31 2020
(a) Unsecured, considered good		
- from related parties*	2.93	7.57
- from others	17,769.50	17,398.69
Less : Allowance for expected credit loss	(237.18)	(170.08)
(b) Credit impaired	18.47	22.66
Provision for Credit impaired	(18.47)	(22.66)
Total	**17,535.25**	**17,236.18**

* Refer Note 40 for related party transactions

(Currency: ₹ in Lakhs)

10 Trade receivables (contd.)

The average credit period on sales is 30 to 60 days. No interest is charged on overdue trade receivables.

A formal credit policy has been framed and credit facilities are given to customers within the framework of credit policy. As credit risk management mechanism, a policy for doubtful debts has been formulated and the risk exposure related to receivables is identified based on criteria's mentioned in policy and provided in credit loss allowance.

There are no trade receivables which have a significant increase in credit risk.

At March 31, 2021, the carrying amount of the Company's most significant customers is ₹ 4,578.90 Lakhs (March 31, 2020 : ₹ 6,634.62 Lakhs)

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables as at March 31, 2021

Particulars	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Within the credit period	14,845.42	0.00%	-
1 to 90 days past due	2,554.35	0.00%	-
91 to 180 days past due	89.53	4.20%	3.76
181 to 270 days past due	-	0.00%	-
271 to 360 days past due	-	0.00%	-
More than 360 days past due	301.60	77.40%	233.42
Total	**17,790.90**		**237.18**

Note: Additional provision of ₹ 18.47 Lakhs created based on management estimate towards certain debtors over and above the provision as per expected credit loss model.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables as at March 31, 2020.

Particulars	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Within the credit period	11,689.55	0.00%	-
1 to 90 days past due	5,402.13	0.23%	12.21
91 to 180 days past due	152.02	5.75%	8.74
181 to 270 days past due	2.62	20.13%	0.53
271 to 360 days past due	16.14	30.10%	4.86
More than 360 days past due	166.46	86.35%	143.74
Total	**17,428.92**		**170.08**

Note : Additional provision of ₹ 22.66 Lakhs created based on management estimate towards certain debtors over and above the provision as per expected credit loss model.

11 Cash and cash equivalents

Particulars	As at March 31	
	2021	2020
Cash on hand	0.09	0.58
Balances with banks in current accounts	1,589.84	823.98
Total	**1,589.93**	**824.56**

12 Bank balances other than above

Particulars	As at March 31	
	2021	2020
Earmarked balances		
- Unpaid dividend accounts	12.13	11.03
Fixed deposits with Bank with original maturity for more than 3 months and maturing within 12 months	3,403.19	211.44
- Given as security against Bank Guarantees - ₹ 18.29 Lakhs (as at 31 March 2020 : NIL)		
Total	**3,415.32**	**222.47**

(Currency: ₹ in Lakhs)

13 Equity share capital

Particulars	As at March 31	
	2021	2020
Authorised Share capital :		
70,000,000 (March 31, 2020 : 70,000,000) equity shares of ₹ 2 each	1,400.00	1,400.00
Issued, subscribed and fully paid up:		
35,504,850 (March 31, 2020 : 35,504,850) fully paid equity shares of ₹ 2 each	710.10	710.10
Total	**710.10**	**710.10**

i. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31	
	2021	2020
	Number of shares	Number of shares
At the beginning of the year	35,504,850	35,504,850
At the end of the year	35,504,850	35,504,850

ii. Terms and Rights attached

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

iii. Details of equity shares held by the Holding Company

Particulars	As at March 31	
	2021	2020
	Number of shares	Number of shares
D-Link Holding Mauritius Inc.	18,114,663	18,114,663

iv. Details of equity shares held by each shareholder holding more than 5% shares in the Company

Name of Shareholders	As at March 31, 2021	
	Number of shares held	% holding in the class of shares
Fully paid equity shares		
D-Link Holding Mauritius Inc., holding company	18,114,663	51.02%
Mukesh Tirthdas Lulla	2,755,000	7.76%

Name of Shareholders	As at March 31, 2020	
	Number of shares held	% holding in the class of shares
Fully paid equity shares		
D-Link Holding Mauritius Inc., holding company	18,114,663	51.02%
Mukesh Tirthdas Lulla	2,755,000	7.76%

v. No shares have been issued for consideration other than cash during the period of five years immediately preceding the reporting date:

(Currency: ₹ in Lakhs)

14 Other Equity

Particulars	As at March 31	
	2021	2020
General reserve - Refer note (i) below	1,022.81	1,022.81
Securities premium - Refer note (ii) below	3,591.34	3,591.34
Retained earnings - Refer note (iii) below		
Balance at the beginning of the year	17,363.12	14,604.96
Add : Transferred from statement of profit and loss	2,932.19	3,408.19
Add : Transferred from other comprehensive income - Refer note (iv) below	0.29	(7.99)
Less : Dividend	355.04	532.57
Less : Tax on dividends distributed during the year	-	109.47
Balance at the end of the year	**19,940.56**	**17,363.12**
Total	**24,554.71**	**21,977.27**

(i) The general reserve is credited from time to time to transfer profits from retained earnings for appropriation purposes.

(ii) Security premium is created when shares are issued at premium and it is utilised in accordance with the provisions of the Companies Act, 2013.

(iii) Retained earnings comprise of the Company's undistributed profits after taxes.

(iv) Other comprehensive income consist of re-measurement of defined benefit plan comprises actuarial gains and losses and return on plan assets (excluding interest income).

15 Other financial liabilities

Non current

Particulars	As at March 31	
	2021	2020
Security deposits	30.47	26.99
Total	**30.47**	**26.99**

Current

Particulars	As at March 31	
	2021	2020
Unclaimed dividends	12.13	11.03
Total	**12.13**	**11.03**

16 Trade payables

Particulars	As at March 31	
	2021	2020
Total outstanding dues of micro and small enterprises (Refer note below)	188.44	173.79
Total outstanding dues of creditors other than micro and small enterprises	14,834.53	12,138.83
Total	**15,022.97**	**12,312.62**

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 33(ii).

Disclosures relating to amounts payable as at the year end together with interest paid / payable to Micro, Small and Medium Enterprises have been made in the accounts, as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent of information available with the Company determined on the basis of intimations received from suppliers regarding their status and required disclosures are given below:

(Currency: ₹ in Lakhs)

16 Trade payables (Contd.)

Particulars	As at March 31 2021	As at March 31 2020
(i) the principal amount remaining unpaid as on year end.	188.44	173.79
(ii) the amount of interest due thereon remaining unpaid as on year end.	-	-
(iii) the amount of interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during the year.	-	-
(iv) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(v) the amount of interest accrued and remaining unpaid as on year end and	-	-
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

17 Other current liabilities

Current

Particulars	As at March 31 2021	As at March 31 2020
(a) Advances from customers	1.77	5.82
(b) Others		
- Statutory dues*	83.67	83.58
- Disputed demand of Value Added Tax / Central Sales Tax	21.40	21.40
- Other liabilities - Employees benefits payable	236.97	65.74
- Payable on behalf of Principal (net)	105.23	82.74
Total	**449.04**	**259.28**

* Includes provident fund and tax dedcuted at source etc

18 Current Provisions

Particulars	As at March 31 2021	As at March 31 2020
Employee benefits		
- Gratuity-Defined benefit liabilities (refer note 31)	31.04	17.09
- Provision for compensated absences	51.49	53.11
Total	**82.53**	**70.20**

19 Current tax liabilities

Particulars	As at March 31 2021	As at March 31 2020
Current tax liabilities		
Provision for Income Tax	2,848.27	4,208.93
Less : Advance payment of taxes	(2,764.06)	(4,169.40)
Total	**84.21**	**39.53**

(Currency: ₹ in Lakhs)

20 Revenue from operations

Particulars	For the year ended March 31	
	2021	2020
(a) Sales of Networking products	70,979.76	72,433.66
(b) Sales of services	50.38	85.72
(c) Other operating revenues		
- Export benefits	37.43	-
- Others	-	33.18
Total	**71,067.57**	**72,552.56**

For the year ended March 31, 2021, revenues from sales of networking products to two significant customer is ₹ 20,253.15 Lakhs (year ended March 31, 2020 : ₹ 27,867.04 Lakhs).

Refer Note 37 for disaggregation of revenue.

Reconciliation of revenue recognized with the contracted price is as follows:

Particulars	For the year ended March 31	
	2021	2020
Contracted Price	73,302.27	74,598.23
Reductions towards variable consideration components	(2,234.70)	(2,045.67)
Revenue recognised	**71,067.57**	**72,552.56**

The reduction towards variable consideration comprises of volumn discounts, rebates etc.

21 Other income

Particulars	For the year ended March 31	
	2021	2020
a) Interest income		
- From others	96.45	1.49
b) Others		
- Net Gain on disposal of property, plant and equipment	0.41	1.01
- Net Gain on foreign currency transactions and translations	350.79	145.23
- Mark to Market - forward contracts measured at FVTPL	-	20.55
- Mark to Market - current investments measured at FVTPL	103.11	15.27
- Net Gain on sale of current investments	31.05	59.74
- Sundry balances written back	15.65	7.31
- Allowance for expected credit loss written back	-	519.99
Total	**597.46**	**770.58**

22 Purchase of stock-in-trade

Particulars	For the year ended March 31	
	2021	2020
Purchase of Stock-in-Trade - networking products	58,815.38	61,393.92
Total	**58,815.38**	**61,393.92**

23 Changes in inventories of stock-in-trade

Particulars	For the year ended March 31	
	2021	2020
Closing stock - networking products	9,094.59	9,946.69
Less : Opening stock - networking products	9,946.69	8,287.79
Total	**852.10**	**(1,658.90)**

(Currency: ₹ in Lakhs)

24 Employee benefits expense

Particulars	For the year ended March 31	
	2021	2020
Salaries, wages and bonus	2,568.84	2,449.71
Contribution to provident and other funds (refer note 31)	96.01	87.08
Staff welfare expenses	52.56	77.41
Total	**2,717.41**	**2,614.20**

25 Finance costs

Particulars	For the year ended March 31	
	2021	2020
Interest		
- On cash credit accounts	-	0.58
- On delayed payments of Income-tax/GST	7.35	7.15
- On lease liabilities (refer note 35)	55.94	30.57
Total	**63.29**	**38.30**

26 Depreciation and amortisation expense

Particulars	For the year ended March 31	
	2021	2020
Depreciation of property, plant and equipment (refer note 3)	87.67	95.27
Depreciation of right-of-use asset (refer note 3A)	298.46	322.80
Amortisation of intangible assets (refer note 3B)	0.70	2.21
Total	**386.83**	**420.28**

27 Other expenses

Particulars	For the year ended March 31	
	2021	2020
Power and fuel	34.26	47.81
Travelling and conveyance	81.87	255.84
Legal and consultation fees	219.38	265.24
Royalty fees (refer note 40)	706.28	174.21
Audit fees (refer note below)	46.36	48.77
Directors sitting fees	25.75	26.00
Rates and taxes	17.19	24.45
Repairs and maintenance - others	242.90	215.85
Communication expenses	72.13	66.53
Insurance	163.69	151.09
Advertisement and sales promotion expenses	2,346.66	3,165.44
Freight outward	86.96	467.76
Servicing expenses	462.75	467.69
Packing material consumption	56.05	60.20
Corporate social responsibility expenses (Refer note 38)	118.20	121.98

(Currency: ₹ in Lakhs)

27 Other expenses (contd.)

Particulars	For the year ended March 31	
	2021	2020
Allowance for expected credit loss and credit impared on trade receivables and advances	62.89	-
Mark to Market loss - forward contracts measured at FVTPL	10.35	-
Bad debts written off	18.35	299.79
Net loss on agency business	18.18	239.31
Miscellaneous expenses	73.55	76.55
Total	**4,863.75**	**6,174.51**

Note :

Payments to auditors	For the year ended March 31	
	2021	2020
a) For audit		
- For statutory audit	14.50	17.50
- For limited reviews	13.50	10.50
b) For taxation matters	-	-
c) For other services	17.50	18.71
d) For reimbursement of expenses	0.86	2.06
Total	**46.36**	**48.77**

28 Income taxes

i. Income tax recognised in standalone statement profit or loss

Particulars	For the year ended March 31	
	2021	2020
Current tax		
In respect of the current year	1,017.46	1,095.11
Excess provision for tax in respect of earlier years written back	(16.00)	40.48
	1,001.46	**1,135.59**
Deferred tax	**32.62**	**254.22**
	32.62	**254.22**
Total	**1,034.08**	**1,389.81**

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31	
	2021	2020
Profit before tax	3,966.27	4,798.00
Income tax expense calculated at 25.17% (March 31, 2020 : 25.17%)	998.31	1,207.66
Effect of expenses that are not deductible in determining taxable profit		
Corporate Social Responsibility expenses	29.75	17.21
Disallowance u/s 14A of Income Tax Act, 1961	-	5.06
Others*	22.02	119.40
	1,050.08	**1,349.33**
Adjustments recognised in the current year in relation to the current tax of prior years	(16.00)	40.48
Income tax expense recognised in statement of profit or loss	**1,034.08**	**1,389.81**

*Impact of tax rate change: The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has re-measured its Deferred Tax Assets basis the rate prescribed in the said section. The full impact of this change has been recognised in the standalone statement of profit and loss in the previous year.

(Currency: ₹ in Lakhs)

28 Income taxes (contd.)

ii. Income tax recognised in other comprehensive income

Particulars	For the year ended March 31	
	2021	2020
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
On account of re-measurement of defined benefit obligation	0.10	(2.69)
Total	**0.10**	**(2.69)**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	0.10	(2.69)

29 Earnings per share

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:

Particulars	For the year ended March 31	
	2021	2020
Net Profit after tax (₹ in Lakhs)	2,932.19	3,408.19
Weighted average number of Equity Shares outstanding during the year	35,504,850	35,504,850
Basic and diluted earnings per share (Rupees)	8.26	9.60
Nominal value per share (Rupees)	2.00	2.00

30 Dividend on Equity shares

Particulars	As at March 31	
	2021	2020
Cash dividend on Equity shares declared and paid :		
Final dividend for the year March 31, 2020: ₹ 1 per share (March 31, 2019: ₹ 1 per share)	355.04	355.04
Dividend distribution tax on final dividend	-	72.98
Interim dividend for the year March 31, 2021: ₹ 0 per share (March 31, 2020: ₹ 0.50 per share)	-	177.53
Dividend distribution tax on interim dividends	-	36.49
Proposed dividends on Equity shares:		
Proposed cash dividend for the year March 31, 2021: ₹ 1.80 per share (March 31, 2020 : ₹ 1 per share)	639.09	355.04

-

Proposed dividend on equity shares is subject to approval at the annual general meeting and is not recognised as a liability as at the year end.

31 Employee benefit plans

i. Defined contribution plans

The Company makes Provident Fund and Employee's state insurance corporation (ESIC) contributions which are in the nature of defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 56.67 Lakhs (Previous Year ended March 31, 2020 ₹ 57.37 Lakhs) towards Provident Fund contribution and ₹ 4.38 Lakhs (Previous Year ended March 31, 2020 ₹ 5.09 Lakhs) towards ESIC contribution included under employee benefits expense in the standalone statement of profit and loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

ii. Defined benefit plan

The gratuity scheme is a defined benefit plan that provides for a lump sum payment to the employees on exit either by way of retirement, death, disability or voluntary withdrawal. Under the scheme, the employees are entitled to a lump sum amount aggregating to 15 days final basic salary for each year of completed service payable at the time of retirement/resignation, provided the employee has completed 5 years of continuous service. The defined benefit plan is administered by a third-party insurer. The third-party insurer is responsible for the investment policy with regards to the assets of the plan.

Under the plan, the employees are entitled to a sum amounting to 15 days final basic salary for each year of completed service payable subject to maximum of ₹ 20 Lakhs at the time of retirement / resignation provided the employee has completed 5 years of continuous services.

31 Employee benefit plans (contd.)

(Currency: ₹ in Lakhs)

The Plan exposes the Company to the following risks:

Investment risk	The return on investments will impact the position of the defined benefit plan liability. If the return falls, net defined benefit obligation will increase the value of the liability.
Interest risk	The defined benefit obligation calculated uses a discount rate based on government bonds. All other aspects remaining same, if bond yields fall, the defined benefit obligation will increase the value of the liability.
Longevity risk	The Company has used certain mortality and attrition assumptions in the valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumptions considered.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is insured by an external insurance company.

iii. The disclosure as required under Ind AS 19 as per actuarial valuation regarding Employee Retirement Benefits Plan for Gratuity is as follows:

The principal assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	Valuation as at	
	As at March 31	
	2021	2020
Discount rate(s)	6.74%	6.77%
Expected rate(s) of salary increase	8.00%	8.00%
Mortality rates	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Rate of employee turnover	0 to 15 - 5% 15 to 42 - 0%	0 to 15 - 5% 15 to 42 - 0%

Discount Rate

The discount rate is based on the prevailing market yields of Indian government securities at the reporting date for the estimated term of the obligations.

Salary Escalation Rate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Amounts recognised in the standalone statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	For the year ended March 31	
	2021	2020
Current service cost	39.52	32.97
Net interest expense	(0.18)	(3.11)
Components of defined benefit costs recognised in profit or loss	**39.34**	**29.86**

Particulars	For the year ended March 31	
	2021	2020
Other Comprehensive Income (OCI)		
Return on plan assets (excluding amounts included in net interest expense)	(0.73)	1.23
Actuarial (gains) / losses recognised for the period	0.34	9.45
Components of defined benefit costs recognised in other comprehensive income	**(0.39)**	**10.68**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the standalone statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

31 Employee benefit plans (contd.)

(Currency: ₹ in Lakhs)

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31	
	2021	2020
Present value of funded defined benefit obligation	326.35	275.05
Fair value of plan assets	(295.31)	(257.96)
Net liability arising from defined benefit obligation	31.04	17.09

Movements in the present value of the defined benefit obligation are as follows:

Particulars	As at and for the year ended March 31	
	2021	2020
Opening defined benefit obligation	275.05	231.57
Current service cost	39.52	32.97
Interest cost	18.30	17.17
Actuarial Gains on obligation	0.34	9.45
Past service cost	-	-
Benefits paid	(6.86)	(16.11)
Closing defined benefit obligation	**326.35**	**275.05**

Movements in the fair value of the plan assets are as follows:

Particulars	As at and for the year ended March 31	
	2021	2020
Opening fair value of plan assets	257.96	254.88
Interest income	18.48	20.28
Return on plan assets (excluding amounts included in net interest expense)	0.73	(1.23)
Contributions from the employer	25.00	-
Benefits paid	(6.86)	(15.97)
Closing fair value of plan assets	**295.31**	**257.96**

Particulars	For the year ended March 31	
	2021	2020
Insurer Managed Funds	**100%**	**100%**

The weighted average remaining duration of the defined benefit obligation as at March 31, 2021 is 12.84 years (as at March 31, 2020 : 13.03 years)

Sensitivity Analysis	2020-21	2019-20
Projected Benefit Obligation on Current Assumptions	326.35	275.05
Delta effect of +1% change in Rate of Discounting	(38.13)	(32.65)
Delta effect of -1% change in Rate of Discounting	45.86	39.40
Delta effect of +1% change in Rate of Salary increase	40.22	34.78
Delta effect of -1% change in Rate of Salary increase	(36.13)	(30.68)
Delta effect of +1% change in Rate of Employee Turnover	(5.40)	(4.62)
Delta effect of -1% change in Rate of Employee Turnover	**2.69**	**2.41**

The Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

31 Employee benefit plans (contd.)

(Currency: ₹ in Lakhs)

Expected contribution to defined benefit plan for the next year

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
Expected contribution to defined benefit plan	**31.04**	17.09

32 Financial instruments

i. Capital management

The Company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The Company is not subject to any externally imposed capital requirements.

ii. Categories of financial instruments

Particulars	Notes	As at March 31	
		2021	2020
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
(a) Investment in mutual fund (unquoted)	4	4,853.10	2,215.27
(b) Forward contracts	5	2.11	12.46
Measured at amortised cost			
(a) Investments	4	1,650.00	1,650.00
(b) Cash and cash equivalents	11	1,589.93	824.56
(c) Bank balances other than (b) above	12	3,415.32	222.47
(d) Trade receivables	10	17,535.25	17,236.18
(e) Other financial assets	5	125.30	129.18
Financial liabilities			
Measured at amortised cost			
(a) Trade payables	16	15,022.97	12,312.62
(b) Lease liabilities	34	527.86	678.93
(c) Other financial liabilities	15	42.60	38.02

33 Financial risk management objectives

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to support its operations. The Company's principal financial assets include investment in subsidiary, trade and other receivables, current investments and cash that are derived directly from its operations.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including foreign currency and interest rate risk). The Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimize potential adverse effects of such risks on the Company's operational and financial performance.

i. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of dealing with only credit worthy counterparties and the credit risk exposure for them is managed by the Company by credit worthiness checks. The Company also takes an credit risk insurance policy.

The carrying amount of financial assets represents the maximum credit risk exposure.

The credit risk on liquid funds and investments in Mutual funds is limited because the counterparties are banks / Mutual funds with high credit-ratings assigned by international credit-rating agencies.

33 Financial risk management objectives (contd.)

(Currency: ₹ in Lakhs)

ii. Liquidity risk management

The Company's principal sources of liquidity are cash and cash equivalents, cash flow generated from operations and by churning of current investments. The Company does not have any significant borrowing. The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2021.

Particulars	Carrying amount	Less than 1 year	1-5 years
Financial Liabilities			
Trade payables	15,022.97	15,022.97	-
Lease liabilities	527.86	296.92	230.94
Deposits received	30.47	-	30.47
Other financial liabilities	12.13	12.13	-

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2020.

Particulars	Carrying amount	Less than 1 year	1-5 years
Financial Liabilities			
Trade payables	12,312.62	12,312.62	-
Lease liabilities	678.93	250.27	428.66
Deposits received	26.99	-	26.99
Other financial liabilities	11.03	11.03	-

The table below provides details regarding the Financing facilities (Refer note below)

Particulars	As at March 31	
	2021	2020
Secured cash credit facility from bank:		
i) amount used	-	-
ii) amount unused	1,500.00	1,500.00
Total	1,500.00	1,500.00
Secured non funded facilities from bank:		
i) amount used	-	-
ii) amount unused	1,500.00	1,500.00
Total	**1,500.00**	**1,500.00**

Note:

Cash Credit accounts and non funded facilities with banks are secured by hypothecation of inventories, book debts and receivables, both present and future on pari passu basis.

iii. Market risk

The Company is exposed to market risks associated with foreign currency rates.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

33 Financial risk management objectives (contd.)

(Currency: ₹ in Lakhs)

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows:

Particulars	Trade payables as at		Trade receivables as at	
	As at March 31		As at March 31	
	2021	2020	2021	2020
Currency USD	6,142,268	4,721,676	706,808	691,296
Currency INR in Lakhs	4,491.02	3,579.04	516.71	523.14

Foreign currency sensitivity analysis

<u>The Company is mainly exposed to the US Dollar currency.</u>

The Company's exchange risk arises from its foreign currency purchases and revenues, (primarily in U.S. Dollars).

As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, the Company's purchases measured in Indian Rupees will decrease. The exchange rate between the Indian Rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Due to lesser quantum of revenue from foreign currencies, the Company is not significantly exposed to foreign currency risk in receivables.

The following table details the company's sensitivity to a 5% increase and decrease in the rupees against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the ₹ strengthens 5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Particulars	USD Impact	
	As at March 31	
	2021	2020
Impact on profit or loss for the year	198.72	152.79
Impact on total equity as at the end of the year	198.72	152.79

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

<u>Forward foreign exchange contracts</u>

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 table details the forward foreign currency (FC) contracts outstanding at the end of the reporting period:

Particulars	Average exchange rate (₹)		Foreign currency (USD)		Notional value (₹ in Lakhs)		Fair value assets (liabilities) (₹ in Lakhs)	
	As at March 31		As at March 31		As at March 31		As at March 31	
	2021	2020	2021	2020	2021	2020	2021	2020
Buy Currency								
Less than 3 months	72.91	74.85	1,700,000	1,250,000	1,241.40	933.41	2.11	12.46

34 Fair value measurements

This note provides information about how the Company determines fair values of various financial assets and financial liabilities.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the reporting date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

34 Fair value measurements (contd.)

(Currency: ₹ in Lakhs)

Fair value of the Company's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting date. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value As at March 31		Fair value hierarchy	Valuation technique(s) and key input(s)
	2021	2020		
Investments in mutual funds	4,853.10	2,215.27	Level 1	The mutual fund investments are valued at closing NAV provided by the fund.
Forward Contract Asset	2.11	12.46	Level 2	The Forward foreign currency contracts are valued at Mark to market values provided by banks with whom the Company contracts.

35 Disclosure as per Ind AS 116 Leases

1. As a lessee

The Company has applied Ind AS 116, which replaces Ind AS 17 Leases and the related interpretations from April 1, 2019 using the modified retrospective approach.

a. Right-of-use assets

The rights of use asset for lease assets is recognised under the following heads

Particulars	Leased warehouse and office premises	Total
Balance at April 1, 2020	**664.25**	**664.25**
Additions during the year	120.21	120.21
Deletions during the year	-	-
Depreciation charge for the year	(298.46)	(298.46)
Balance at March 31, 2021	**486.00**	**486.00**

Particulars	Leased warehouse and office premises	Total
Balance at April 1, 2019	**315.34**	**315.34**
Additions during the year	671.71	671.71
Deletions during the year	-	-
Depreciation charge for the year	(322.80)	(322.80)
Balance at March 31, 2020	**664.25**	**664.25**

b. Lease liabilities

Particulars	As at March 31	
	2021	2020
Maturity analysis - contractual undiscounted cash flows		
Less than one year	332.21	300.65
One to five years	241.05	444.11
More than five years	-	-
Total undiscounted lease liabilities at March 31, 2021	**573.26**	**744.76**

(Currency: ₹ in Lakhs)

35 Disclosure as per Ind AS 116 Leases (contd.)

Lease liabilities included in the standalone statement of financial position

Particulars	As at March 31	
	2021	2020
Current	296.92	250.27
Non-current	230.94	428.66

c. Amounts recognised in the standalone statement of profit or loss

Particulars	For the year	
	2020-2021	2019-2020
Interest on lease liabilities	55.94	30.57

d. Amounts recognised in the standalone statement of cash flows

Particulars	For the year	
	2020-2021	2019-2020
Total cash outflow for leases	271.28	308.12

36 Contingent liabilities

The Customs Department (Directorate of Revenue Intelligence) [DRI] had initiated enquiry of classification of certain products imported by the Company during the previous years. As an outcome of this, the following Show Cause Notices from Customs Department (Directorate of Revenue Intelligence) were received by the Company for misclassification of certain products imported pertain to earlier years;

(i) show cause notice (SCN) dated 10th May 2019 demanding differential duty amount of ₹ 794 Lakhs (excluding interest and penalty).

(ii) show cause notice (SCN) dated 13th June 2019 (i.e. patch panels) demanding differential duty amount of ₹ 940.48 Lakhs (excluding interest and penalty).

The Company has received the adjudication orders from ADG, DRI dated 26th May 2020 in both the matters, partially setting aside the demand of duty pertaining to imports of goods and determining the duty liability to ₹ 54.54 Lakhs excluding the interest. In light of the order, the Company reversed the excess provision of ₹ 457.17 Lakhs (including interest) during the previous year ended 31st March 2020.

On 11th December 2020, the customs department has filed an appeal in Customs, Excise & Service Tax Appellate Tribunal, contending such decision of ADG - DRI in respect of one of the orders involving a duty demand of ₹ 940.48 Lakhs. The Company is waiting for hearing date. Further, no communication was received by the Company for any appeal filed by the Customs department against other favourable order passed by ADG-DRI, Adjudication for the liability amounting to ₹ 794 lakhs. Based on the management assessment and external legal opinion, management has decided that the Company has strong case to defend its position in the above matters.

37 Segment information

The principal business of the Company is marketing and distribution of D-Link branded Networking products. All other activities of the Company revolve around its main business. The CEO & Managing Director of the Company, has been identified as the chief operating decision maker (CODM). The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. Therefore, directors have concluded that there is only one operating reportable segment as defined by Ind AS 108 - Operating Segments.

Revenue as per geography segment is as follows:

Particulars	For the year ended March 31	
	2021	2020
India	69,218.57	70,248.05
Outside India	1,849.00	2,304.51
Total	**71,067.57**	**72,552.56**

38 Corporate Social Responsibility

(a) Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: ₹ 118.20 Lakhs (March 31, 2020 : ₹ 121.98 Lakhs)

(b) Gross amount required to be spent during the year: ₹ 47.76 Lakhs (March 31, 2020 : ₹ 56.46 Lakhs).

(Currency: ₹ in Lakhs)

39 The Company has considered the possible impact of events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the standalone financial statement including but not limited to assessment of Company's liquidity and going concern, receivables, inventory and supply chain etc. The impact of pandemic may be different from that estimated as at the date of approval of these standalone financial statement. Considering the existing uncertainties, the Company will continue to closely monitor any material changes and consequential impact on its standalone financial statement.

40 Related party disclosures

a) Name of related parties where control exists irrespective of whether transactions have occurred or not

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

b) Other related parties (Subsidiaries of Ultimate Holding Company):

D-Link (Europe) Ltd

D-Link International (Singapore)

D-Link Canada Inc.

D-Link Middle East-FZCO

D-Link Japan K K (DJP)

D-Link International Pte. Ltd

D-Link International Pte. Ltd. (DILA)

D-Link Latin America Company Ltd.

D-Link Brazil LTDA

D-Link Australia Pty Limited

D-Link Systems Inc.

c) Key management personnel / Directors

Mr. Tushar Sighat	Managing Director & CEO
Mr. C.M.Gaonkar (Upto December 31, 2019)	Former Chief Financials Officer
Mr. Vinay Joshi (w.e.f February 8, 2020)	Chief Financials Officer
Mr. Rajaram Ajgaonkar	Independent Director
Mr. Satish Godbole	Independent Director
Ms. Madhu Gadodia	Independent Director
Mr. Mukesh Lulla	Director
Mr. Hung Yi Kao	Chairman

40 Related party disclosures (contd.)

(Currency: ₹ in Lakhs)

d) Details of transactions with related parties during the year:

Nature of transactions	Ultimate Holding Company / Holding Company	Subsidiary Company	Other related parties (Subsidiaries of Ultimate Holding Company)	Key management person / Directors	Total
Purchase of Stock-in-trade					
D-Link International (Singapore)	-	-	**193.66**	-	**193.66**
	(-)	(-)	(31.07)	(-)	(31.07)
D-Link International Pte. Ltd.	-	-	**18,390.71**	-	**18,390.71**
	(-)	(-)	(19,836.68)	(-)	(19,836.68)
D-Link Corporation	**430.94**	-	-	-	**430.94**
	(176.29)	(-)	(-)	(-)	(176.29)
Others	-	-	**24.10**	-	**24.10**
	(-)	(-)	(74.80)	(-)	(74.80)
Sale of Stock-in-trade					
D-Link International (Singapore)	-	-	**0.22**	-	**0.22**
	(-)	(-)	(34.50)	(-)	(34.50)
D-Link Middle East-FZCO	-	-	**5.15**	-	**5.15**
	(-)	(-)	(20.46)	(-)	(20.46)
D-Link International Pte. Ltd. (DILA)	-	-	-	-	-
	(-)	(-)	(0.30)	(-)	(0.30)
Others	-	-	**2.93**	-	**2.93**
	(-)	(-)	(-)	(-)	-
Repairs & maintenance - IT Services					
D-Link Corporation	**218.16**	-	-	-	**218.16**
	(171.69)	(-)	(-)	(-)	(171.69)
Royalty paid					
D-Link Corporation	**706.28**	-	-	-	**706.28**
	(174.21)	(-)	(-)	(-)	(174.21)
Reimbursement of expenditure to					
D-Link International Pte. Ltd.	-	-	**31.65**	-	**31.65**
	(-)	(-)	(-)	(-)	-
D-Link International (Singapore)	-	-	**0.01**	-	**0.01**
	(-)	(-)	(-)	(-)	-
Reimbursement of expenditure from					
D-Link International Pte. Ltd	-	-	**1.87**	-	**1.87**
	(-)	(-)	(9.16)	(-)	(9.16)
Managerial Remuneration (Refer note 1 below)					
Mr. Tushar Sighat	-	-	-	**229.73**	**229.73**
	(-)	(-)	(-)	(287.77)	(287.77)
Remuneration					
Mr. C.M. Gaonkar	-	-	-	-	-
	(-)	(-)	(-)	(50.76)	(50.76)

40 Related party disclosures (contd.)

(Currency: ₹ in Lakhs)

d) Details of transactions with related parties during the year:

Nature of transactions	Ultimate Holding Company / Holding Company	Subsidiary Company	Other related parties (Subsidiaries of Ultimate Holding Company)	Key management person / Directors	Total
Mr Vinay Joshi	-	-	-	**36.91**	**36.91**
	(-)	(-)	(-)	(5.76)	(5.76)
Director's Sitting fees					
Mr. Rajaram Ajgaonkar	-	-	-	**6.50**	**6.50**
	(-)	(-)	(-)	(7.25)	(7.25)
Mr. Satish Godbole	-	-	-	**6.50**	**6.50**
	(-)	(-)	(-)	(7.25)	(7.25)
Ms. Madhu Gadodia	-	-	-	**6.50**	**6.50**
	(-)	(-)	(-)	(7.25)	(7.25)
Mr. Mukesh Lulla	-	-	-	**3.00**	**3.00**
	(-)	(-)	(-)	(3.00)	(3.00)
Mr. Hung Yi Kao	-	-	-	**3.25**	**3.25**
	(-)	(-)	(-)	(1.25)	(1.25)
Dividend paid					
D-Link Holding Mauritius Inc.	**181.15**	-	-	-	**181.15**
	(271.72)	(-)	(-)	(-)	(271.72)
Mr. Mukesh Lulla	-	-	-	**27.55**	**27.55**
	(-)	(-)	(-)	(40.95)	(40.95)
Others	-	-	-	**0.16**	**0.16**
	(-)	(-)	(-)	(0.25)	(0.25)
As at the year end					
Amount due to					
D-Link International Pte. Ltd	-	-	**3,426.98**	-	**3,426.98**
	(-)	(-)	(2,383.68)	(-)	(2,383.68)
D-Link International (Singapore)	-	-	-	-	-
	(-)	(-)	(24.70)	(-)	(24.70)
D-Link Corporation	**143.92**	-	-	-	**143.92**
	(159.64)	(-)	(-)	(-)	(159.64)
Others	-	-	**0.41**	-	**0.41**
	(-)	(-)	(13.67)	(-)	(13.67)
Amount due from					
D-Link International Pte. Ltd	-	-	-	-	-
	(-)	(-)	(7.57)	(-)	(7.57)
D-Link Middle East-FZCO	-	-	**0.05**	-	**0.05**
	(-)	(-)	(-)	(-)	(-)
Others	-	-	**2.87**	-	**2.87**
	(-)	(-)	(-)	(-)	(-)

Figures in brackets pertain to previous year.

Notes:

1. Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Company as a whole and long term incentive.
2. Terms and conditions of transactions with related parties

   The Company's international transactions with related parties where control exists are at arm's length as per the independent accountant's report for the year ended March 31, 2020. Management believes that the Company's international transactions with related parties where control exists post March 2020 continue to be at arm's length and that the transfer pricing legislation will not have an impact on the financial statements, particularly on the amount of the tax expense for the year and the amount of the provision for taxation at the year end.

41 Specified bank notes (SBN)

The disclosure regarding details of specified bank notes held and transacted during November 08, 2016 and December 30, 2016 has not been made since the requirement does not pertain to financial year ended March 31, 2021 and March 31, 2020.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W - 100022

Jayesh T Thakkar
Partner
Membership No. 113959

Mumbai, dated: May 29, 2021

For and on behalf of the Board of Directors of
D-Link (India) Limited
CIN: L72900GA2008PLC005775

Tushar Sighat
Managing Director & CEO
DIN No.: 06984518

Satish Godbole
Director
DIN No.: 02596364

Vinay Joshi
Chief Financial Officer
Membership No: 102223

Shrinivas Adikesar
Company Secretary
Membership No.: A20908

Mumbai, dated: May 29, 2021

Consolidated Financial Statements ₹

Independent Auditors' Report

To the Members of D-Link (India) Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of D-Link (India) Limited (hereinafter referred to as the 'Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 31 March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Contingent liability - See note 37 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
As at 31 March 2021, the Holding Company is having pending litigation with Customs authorities which has been disclosed in detail refer Note No. 37. The Holding Company had received Show cause notice (SCN) on 10 May 2019 and 13 June 2019 aggregating to ₹1,734.48 lakhs (excluding interest and penalty). The Holding Company filed the reply against the above SCN's to Additional Director General (ADG), Adjudication, DRI, Mumbai on 21 November 2019. The Holding Company received an order on 26 May 2020 from ADG, Adjudication, with a final demand of ₹54.54 lakhs (excluding interest). Based on the Order received, the Holding Company has reversed the excess provision made of ₹457.17 lakhs, during the previous year ended 31 March 2020. On 11 December 2020, the Custom department has filed an appeal against one of the order, in Custom, Excise and Service Tax Appellate Tribunal, Mumbai. The Company is awaiting for hearing date. The matter is disclosed in the consolidated financial statements under contingent liability. We focused on this area as eventual outcome of the claim is uncertain and position taken by the management is based on the application of significant judgment and estimation. Accordingly, unexpected outcome could significantly impact the consolidated profit and balance sheet position.	Our audit procedures included the following: - We discussed the status of significant and potential litigations with the management who have knowledge of these matters and we also obtained external confirmation from the Company's consultant. - Use of our own indirect tax specialist to assess the value of contingent liabilities in light of the nature of exposure, applicable regulations and related correspondence with the authorities. - Considering the adequacy of the provision and disclosure made in relation to matter.

Revenue recognition: Refer Note 2.2d for accounting policy and Note 21 for revenue details

The key audit matter	How the matter was addressed in our audit
The Group sells networking products and aims to offer high quality products to its customers. Revenue from sale of products is recognised when the risks and rewards of the underlying products as well as the control over the products have been transferred to the customer. This is based on the terms and conditions of the sales contracts entered into with the customers. We have identified recognition of revenue as a key audit matter as revenue is a key performance indicator. There is a risk of revenue being fraudulently overstated arising from pressure to achieve performance targets as well as meeting external expectations. There is also a risk of revenue being recognised in the wrong accounting period due to year-end sales cut-off issue.	Our audit procedures included the following: – Assessing the appropriateness of the revenue recognition accounting policies by comparing with applicable accounting standards. – Testing the design, implementation and operating effectiveness of the Company's internal controls including general IT application/ controls over the Company's systems which govern recording of revenue. – Performing substantive testing by selecting samples using statistical sampling tool for revenue transactions recorded during the year, by verifying the underlying documents, which included sales invoices/ contracts and delivery/shipping documents. – Performing year-end sales cut-off testing (including sales booked after the year-end) for samples of sales recorded at year-end and after the year-end by verifying the underlying invoice, terms of delivery and delivery/shipping documents. – Assessing manual journals entries posted to revenue. – Evaluating the adequacy of the consolidated financial statement disclosures.

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

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

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

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and 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 each company. and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entity or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entity included in the consolidated financial statements of which we are the independent auditors.

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.

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

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

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

Report on Other Legal and Regulatory Requirements

A. 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 and the reports of the other auditors.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows 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 Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2021 taken on record by the Board of Directors of the Holding Company and its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary company incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2021 on the consolidated financial position of the Group. Refer Note 37 to the consolidated financial statements;

   ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2021;

   iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2021. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Subsidiary Company during the year ended 31 March 2021; and

   iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March 2021. Refer note 42 to the consolidated financial statements.

C. With respect to the matter to be included in the Auditor's report under Section 197(16):

   In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under Section 197 of the Act. The Subsidiary Company is a Private Limited Company and accordingly, the provisions of Section 197 of the Act are not applicable to the subsidiary Company. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No. 113959
UDIN: 21113959AAAADA4834

Mumbai
29 May 2021

Annexure “A” to the Independent Auditors’ report

Annexure “A” to the Independent Auditors’ report on the consolidated financial statements of D-Link (India) Limited for the year ended 31 March 2021

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies Act, 2013

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

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2021, we have audited the internal financial controls with reference to consolidated financial statements of D-Link (India) Limited (hereinafter referred to as “the Holding Company”) and such company incorporated in India under the Companies Act, 2013 which are its subsidiary company, as of that date.

In our opinion, the Holding Company and such company incorporated in India which are its subsidiary company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The respective Company’s management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. 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 (hereinafter referred to as “the Act”).

Auditors’ Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company’s internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 consolidated financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

For **B S R & Co. LLP**
Chartered Accountants
Firm’s Registration No.: 101248W/W-100022

Jayesh T Thakkar
Partner
Membership No. 113959
UDIN: 21113959AAAADA4834

Mumbai
29 May 2021

Consolidated Balance Sheet
as at March 31, 2021

(Currency: ₹ in Lakhs)

Particulars	Notes	As at March 31 2021	As at March 31 2020
ASSETS			
Non-current Assets			
(a) Property, plant and equipment	3	1,571.97	1,654.32
(b) Right-of-use assets	3A	654.09	966.76
(c) Goodwill	4	1,534.96	1,534.96
(d) Other intangible assets	3B	0.50	1.20
(e) Financial assets			
(i) Other financial assets	5	153.96	120.42
(f) Deferred tax assets (net)	6	256.96	292.46
(g) Non-current tax assets (net)	7	26.04	28.63
(h) Other non-current assets	**8**	-	-
Total Non-current Assets		**4,198.48**	**4,598.75**
Current Assets			
(a) Inventories	9	9,094.59	9,946.69
(b) Financial assets			
(i) Investments	10	4,853.10	2,215.27
(ii) Trade receivables	11	17,761.50	17,470.33
(iii) Cash and cash equivalents	12	1,669.71	868.93
(iv) Bank balances other than (iii) above	13	4,526.94	1,091.67
(v) Other financial assets	5	65.73	156.06
(c) Other current assets	8	950.38	1,355.54
Total Current Assets		**38,921.95**	**33,104.49**
Total Assets		**43,120.43**	**37,703.24**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	14	710.10	710.10
(b Other equity	15	25,919.78	23,141.88
Equity attributable to owners of the Company		**26,629.88**	**23,851.98**
Non-controlling Interests		0.15	0.12
Total Equity		**26,630.03**	23,852.10
LIABILITIES			
Non-current Liabilities			
(a) Financial liabilities			
(i) Lease liabilities	36	270.28	614.95
(ii) Other financial liabilities	16	30.47	26.99
Total Non-current Liabilities		**300.75**	**641.94**
Current Liabilities			
(a) Financial liabilities			
(i) Trade payables	17		
(A) total outstanding dues of micro enterprises and small enterprises;		188.44	173.79
(B) total outstanding dues of creditors other than micro enterprises and small enterprises		14,855.59	12,159.99
(ii) Lease liabilities	36	443.88	377.46
(iii) Other financial liabilities	16	12.13	35.08
(b) Other current liabilities	18	467.00	278.20
(c) Provisions	19	138.40	145.15
(d) Current tax liabilities (net)	20	84.21	39.53
Total Current Liabilities		**16,189.65**	**13,209.20**
Total Liabilities		**16,490.40**	**13,851.14**
Total Equity and Liabilities		**43,120.43**	**37,703.24**
Basis of preparation and Significant accounting policies	2		
See accompanying notes to the consolidated financial statements.	3-43		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W - 100022

Jayesh T Thakkar
Partner
Membership No. 113959

Mumbai, dated: May 29, 2021

For and on behalf of the Board of Directors of
D-Link (India) Limited
CIN: L72900GA2008PLC005775

Tushar Sighat
Managing Director & CEO
DIN No.: 06984518

Satish Godbole
Director
DIN No.: 02596364

Vinay Joshi
Chief Financial Officer
Membership No: 102223

Shrinivas Adikesar
Company Secretary
Membership No.: A20908

Mumbai, dated: May 29, 2021

Consolidated Statement of Profit and Loss
for the year ended March 31, 2021

(Currency: ₹ in Lakhs)

Particulars	Notes	For the year ended March 31	
		2021	2020
I. Revenue from operations	21	72,654.69	74,007.87
II. Other income	22	684.77	904.04
III. Total income (I+II)		**73,339.46**	**74,911.91**
IV. Expenses			
Purchases of stock-in-trade	23	58,815.38	61,393.92
Changes in inventories of stock-in-trade	24	852.10	(1,658.90)
Employee benefits expense	25	3,771.99	3,668.30
Finance costs	26	86.40	71.99
Depreciation and amortisation expense	27	544.40	574.38
Other expenses	28	5,029.56	6,368.99
Total expenses		**69,099.83**	**70,418.68**
V. Profit before exceptional items and tax (III-IV)		**4,239.63**	**4,493.23**
VI. Exceptional item	37	**-**	**(457.17)**
VII. Profit before tax (V-VI)		**4,239.63**	**4,950.40**
VIII. Tax expense			
Current tax	29	1,084.60	1,140.92
Deferred tax	6	36.14	247.36
Excess provision for tax in respect of earlier years written back	29	(16.00)	40.48
		1,104.74	1,428.76
IX. Profit for the year (VII-VIII)		**3,134.89**	**3,521.64**
X. Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss			
- Remeasurements of the defined benefit plan		(2.56)	(21.17)
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.64	5.33
Total other comprehensive (loss) / income (net of taxes)		**(1.92)**	**(15.84)**
XI. Total comprehensive income for the year (IX+X)		**3,132.97**	**3,505.80**
Profit for the year attributable to:			
- Owners of the Company		3,134.86	3,521.63
- Non-controlling interests		0.03	0.01
		3,134.89	**3,521.64**
Other comprehensive income for the year attributable to:			
- Owners of the Company		(1.92)	(15.84)
- Non-controlling interests		-	-
		(1.92)	(15.84)
Total comprehensive income for the year attributable to:			
- Owners of the Company		3,132.94	3,505.79
- Non-controlling interests		0.03	0.01
		3,132.97	**3,505.80**
XII. Earnings per equity share (EPS)	30		
(Face value of ₹ 2/- per share)			
Basic and diluted (in ₹)		8.83	9.92
Basis of preparation and Significant accounting policies	2		
See accompanying notes to the consolidated financial statements	3-43		

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W - 100022

Jayesh T Thakkar
Partner
Membership No. 113959

Mumbai, dated: May 29, 2021

For and on behalf of the Board of Directors of
D-Link (India) Limited
CIN: L72900GA2008PLC005775

Tushar Sighat
Managing Director & CEO
DIN No.: 06984518

Satish Godbole
Director
DIN No.: 02596364

Vinay Joshi
Chief Financial Officer
Membership No: 102223

Shrinivas Adikesar
Company Secretary
Membership No.: A20908

Mumbai, dated: May 29, 2021

Consolidated Cash Flow Statement
for the year ended Mach 31, 2021

(Currency: ₹ in Lakhs)

Particulars	For the year ended March 31	
	2021	2020
Cash flows from operating activities		
Profit for the year	**4,239.63**	**4,950.40**
Adjustments for:		
Software license expenses written off	-	10.65
Finance costs	86.40	71.99
(Gain) on disposal of property, plant and equipment	(0.41)	(0.65)
Mark to Market - current investments measured at FVTPL	(103.11)	(15.27)
Net gain on sale of current investments	(31.05)	(59.74)
Mark to Market - forward contract measured at FVTPL	10.35	(20.55)
Bad debts written off	18.35	299.79
Sundry balances written back (net)	(15.65)	-
Allowance for expected credit loss and credit impared on trade receivables and advances (written back) / charged	62.89	(519.99)
Interest income on fixed deposits with banks	(149.01)	(59.25)
Rental hike waiver for Covid 19	(3.62)	
Operating sub-lease rental income	-	(6.95)
Interest income on others	(2.96)	-
Depreciation on Right of Asset	298.46	457.22
Depreciation and amortisation expense	245.94	121.44
Amortisation of fair value charge	4.28	-
(Gain) / Loss on unrealised foreign exchange fluctuations (net)	(2.87)	1.89
	4,657.62	**5,230.98**
Adjustments for:		
(Increase) / Decrease in trade and other receivables	(384.99)	1,313.97
Decrease / (Increase) in inventories	852.10	(1,658.90)
Decrease in other non-current assets	-	19.39
(Increase) in other non-current financial assets	(30.58)	(29.96)
Decrease / (Increase) in other current financial assets	80.33	(52.53)
Decrease / (Increase) in other current assets	405.16	(394.74)
Increase in trade and other payables	2,741.35	311.50
(Decrease) in non-current provisions	-	(11.62)
(Decrease) / Increase in current provisions	(9.69)	47.87
(Decrease) / Increase in other current financial liabilities	(22.95)	14.75
Increase in other non-current financial liabilities	3.48	-
Increase / (decrease) in other current liabilities	188.80	(682.53)
	3,823.01	**(1,122.80)**
Cash generated from operations	8,480.63	4,108.18
Income taxes paid (net)	(1,020.93)	(1,269.48)
Net cash generated from operating activities (A)	**7,459.70**	**2,838.70**
Cash flows from investing activities		
Payments for purchase of Investments in mutual funds	(9,500.00)	(54,575.00)
Proceeds on sale of Investments in mutual funds	6,996.33	53,135.53
Payments for Investments in fixed deposits with bank	(3,435.27)	-
Interest received	148.66	64.33
Payments for purchases of property, plant and equipment	(32.75)	(89.99)
Proceeds from sale of property, plant and equipment	0.41	1.01
	-	(449.24)
Net cash (used in) investing activities (B)	**(5,822.62)**	**(1,913.36)**
Cash flows from financing activities		
Dividends paid (including tax thereon)	(355.04)	(639.91)
Interest paid	(86.40)	(71.99)
Payments for Lease liabilities	(394.86)	(417.58)
Net cash (used in) financing activities (C)	**(836.30)**	**(1,129.48)**
Net (decrease) in cash and cash equivalents (D)=(A)+(B)+(C)	**800.78**	**(204.14)**
Cash and cash equivalents at the beginning of the year (E)	868.93	1,073.07
Cash and cash equivalents at the end of the year (D)+(E) (Refer Note 12)	**1,669.71**	**868.93**

Notes: 1. The consolidated statement of cash flows is prepared by the indirect method set out in Ind AS 7 Statement of cash flows and presents the cash flows by operating, investing and financing activities of the Company.

2. Cash and Cash equivalents presented in the consolidated statement of cash flows consist of cash on hand and unencumbered bank balances.

3. The accompanying notes are an integral part of these consolidated financial statements.

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W - 100022

Jayesh T Thakkar
Partner
Membership No. 113959

Mumbai, dated: May 29, 2021

For and on behalf of the Board of Directors of
D-Link (India) Limited
CIN: L72900GA2008PLC005775

Tushar Sighat
Managing Director & CEO
DIN No.: 06984518

Satish Godbole
Director
DIN No.: 02596364

Vinay Joshi
Chief Financial Officer
Membership No: 102223

Shrinivas Adikesar
Company Secretary
Membership No.: A20908

Mumbai, dated: May 29, 2021

Consolidated Statement of Changes in Equity
for the year ended March 31, 2021

(Currency: ₹ in Lakhs)

Particulars	Notes	As at March 31	
		2021	**2020**
(a) Equity share capital			
As at the beginning of the year	14	**710.10**	710.10
Changes in equity share capital during the year		-	-
As at end of the year		**710.10**	710.10

(Currency: ₹ in Lakhs)

Particulars	Notes	Securities premium reserve	General reserve	Retained earnings	Total Other equity	Non Controlling Interest	Total
(b) Other equity							
As at April 1, 2019	**15**	3,591.34	1,022.81	15,663.98	20,278.13	0.11	20,278.24
Profit for the year		-	-	3,521.63	3,521.63	0.01	3,521.64
Other comprehensive income for the year, net of tax		-	-	(15.84)	(15.84)	0.00	(15.84)
Total comprehensive income for the year ended March 31, 2020		**-**	**-**	**3,505.79**	**3,505.79**	**0.01**	**3,505.80**
Dividend Paid		-	-	(532.57)	(532.57)	-	(532.57)
Corporate tax on Dividends		-	-	(109.47)	(109.47)	-	(109.47)
As at March 31, 2020	**15**	**3,591.34**	**1,022.81**	**18,527.73**	**23,141.88**	**0.12**	**23,142.00**
Profit for the year		-	-	3,134.86	3,134.86	0.03	3,134.89
Other comprehensive income for the year, net of tax		-	-	(1.92)	(1.92)	0.00	(1.92)
Total comprehensive income for the year ended March 31, 2021		**-**	**-**	**3,132.94**	**3,132.94**	**0.03**	**3,132.97**
Dividend Paid		-	-	(355.04)	(355.04)	-	(355.04)
Corporate tax on Dividends		-	-	-	-	-	-
As at March 31, 2021	**15**	**3,591.34**	**1,022.81**	**21,305.62**	**25,919.77**	**0.15**	**25,919.92**

See accompanying notes forming part of the consolidated financial statements.

In terms of our report attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W - 100022

Jayesh T Thakkar
Partner
Membership No. 113959

Mumbai, dated: May 29, 2021

For and on behalf of the Board of Directors of
D-Link (India) Limited
CIN: L72900GA2008PLC005775

Tushar Sighat
Managing Director & CEO
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Director
DIN No.: 02596364

Vinay Joshi
Chief Financial Officer
Membership No: 102223

Shrinivas Adikesar
Company Secretary
Membership No.: A20908

Mumbai, dated: May 29, 2021

Notes forming part of the Consolidated Financial Statements
for the year ended March 31, 2021

(Currency: ₹ in Lakhs)

1 Background

The Consolidated Financial Statements of D-Link (India) Limited (the Parent Company, or the Holding Company or The 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'. D-Link (India) Limited is primarily engaged in marketing and distribution of Networking products and TeamF1 Networks Private Limited is in the business of providing services in relation to security features in Networking Products and test new applications / enhancements and provide maintenance support for existing applications. The equity shares of the Parent Company are listed on BSE Ltd. (BSE) and National Stock Exchange of India Ltd. (NSE).

The consolidated financial statements for the year ended March 31, 2021 were approved by the Board of Directors and authorised for issue on May 29, 2021.

2 Basis of preparation and Significant accounting policies

2.1 Basis of preparation

a Statement of compliance

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

b Functional and presentation currency

The consolidated financial statements are presented in Indian Rupees ('INR'), which is also the Group's functional currency and all values are rounded to the nearest lakhs, except where otherwise indicated.

c Basis of consolidation

The consolidated financial statements have been prepared on the following basis:

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 March 31, 2021 and are audited

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.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of Subsidiary Company is attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

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 annually. Any impairment loss for goodwill is recognised directly in consolidated statement of profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Non controlling interest in the net assets of the 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 Non controlling 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 Parent Company.

The following Subsidiary Company (incorporated in India) has been considered in the preparation of consolidated financial statements:

Name	% holding as at	
	March 31, 2021	March 31, 2020
TeamF1 Networks Private Limited	**99.99%**	**99.99%**

d Basis of measurement

The financial statements have been prepared on the accrual basis and under historical cost convention, except for certain financial instruments that are measured at fair values at the reporting date:

- Certain financial assets and liabilities (including derivative instruments) and contingent consideration that is measured at fair value (refer accounting policy regarding financial instruments), and
- Net defined benefit liability / asset

e Significant accounting estimates, assumptions and judgments

In application of the Group's accounting policies, which are described in note 2.2, the management are required to make judgements, estimates and assumptions about the carrying amounts of revenues, expenses, assets, liabilities, the accompanying disclosures, and the disclosure of contingent liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised prospectively.

f Significant accounting estimates, assumptions and judgments (Continued)

Estimates and assumptions

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2021 is included in the following notes :

- Note 6 - recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.
- Note 32 - measurement of defined benefit obligations: key actuarial assumptions;
- Note 37 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources;
- Note 9 - Provision for inventory obsolescence
- Note 11 - Impairment of financial assets (i.e. expected credit loss on trade receivables)
- Impairment of non-financial assets

g Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

If the inputs used to measure the fair value of an asset or liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the reporting date during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 10 - Investments (Current)
- Note 35 - Fair value measurements

2.2 Significant accounting policies

a Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value.

Depreciation has been provided on straight-line method. The estimated useful life which is in line with Schedule II to the Companies Act, 2013 (“the Act”) is set out herein below.

Plant and machinery	-	15 years
Office premises	-	60 years
Office equipments	-	3 to 6 years
Furniture and fixtures	-	10 years
Electrical installations	-	10 years
Vehicles	-	8 years

Assets costing less than ₹5,000 are fully depreciated in the year of acquisition.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the consolidated statement of profit and loss when the asset is derecognised.

Depreciation method, useful lives and residual values are reviewed at each reporting dates and adjusted if appropriate. The management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciations on additions / disposals is provided on a pro-rata basis i.e. from / upto the date on which asset is ready for use / disposed of.

For transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as of 1 April, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

b Intangible assets

Intangible assets are stated at their cost of acquisition, less accumulated amortisation and impairment losses. An intangible asset is recognised, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. The amortisable amount of intangible assets is allocated over the best estimate of its useful life on a straight-line basis. The estimated useful life and amortisation method are reviewed at the end of each reporting date.

The Group capitalises software costs where it is reasonably estimated that the software has an enduring useful life. Software is amortised over the management's estimate of its useful life of five years and it is included in depreciation and amortisation expense in consolidated statement of profit and loss.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the consolidated statement of profit and loss when the asset is derecognised.

c Impairment of non-financial assets

Non-financial assets are reviewed at each reporting date to determine whether there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognised as an impairment loss in the consolidated statement of profit and loss.

The Group's corporate assets (e.g. central office building for providing support to various cash-generating units) do not generate independent cash inflows. To determine impairment of corporate asset, recoverable amount is determined for the cash-generating units to which the corporate asset belongs.

The recoverable amount of a cash generating unit (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the cash generating unit (or the asset).

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the consolidated statement of profit and loss.

d Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue from Software development and services is recognized on the basis of the terms of Contract and Project Work Orders, as and when the services are rendered and there are no unfulfilled obligations. The Company measures revenue, for the consideration to which the Company is expected to be entitled in exchange for transferring promised services. Revenue is measured at fair value of the consideration received or receivable.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent. In determining the transaction price, the Company considers below, if any:

- Variable consideration - This includes bonus, incentives, discounts etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at the end of reporting date.

- Significant financing component - The Group receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Group does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

- Consideration payable to a customer – Such amounts are accounted as reduction of transaction price and therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Group.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

Interest income is accounted on accrual basis.

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

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

e Inventories

Stock-in-trade are valued at the lower of cost and net realisable value. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

Cost of Stock-in-trade is determined by the weighted average cost method. Cost of Stock-in-trade comprises of all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

The Group reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Group estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Group carries out an inventory review at each reporting date and makes provision against obsolete and slow-moving items. The Group reassesses the estimation on each reporting date.

f Employee benefits

i. Short-term employee benefits

Employee benefits such as salaries, allowances, bonus and ex-gratia, which fall due for payment within a period of twelve months after rendering service, are measured on an undiscounted basis. It is charged as expense to consolidated statement of profit and loss in the period in which the service is rendered.

ii. Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contribution to a Government administered scheme and has no obligation to pay any further amounts. The Group's monthly contribution to Provident Fund and Employee's State Insurance Scheme are considered as defined contribution plans and are charged as an expense in the consolidated statement of profit and loss, based on the amount of contribution required to be made and when services are rendered by the employees.

iii. Defined benefit plans

Employee Benefits under defined benefit plans such as gratuity which fall due for payment 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 reporting date. The Group's obligation recognised in the consolidated balance sheet represents the present value of obligations as reduced by the fair value of plan assets.

Actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest) are recognised immediately in other comprehensive income. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to consolidated statement of profit and loss. Past service cost is recognised in consolidated statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The defined benefit obligation recognised in the consolidated balance sheet represents the actual deficit or surplus on the Group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

iv. Other long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability on the basis of an independent actuarial valuation carried out at the reporting date, using the projected unit credit method. Actuarial gains or losses are recognised in the consolidated statement of profit and loss in the year in which they occur.

g Foreign currency transactions

Transactions in foreign currencies are recognised at the rates of exchange prevailing at the date of the transaction.

At the end of each reporting period, monetary items denominated in foreign currencies are restated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in the consolidated statement of profit and loss in the year in which they arise.

h Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the consolidated statement of profit and loss in the period in which they are incurred.

i Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current and deferred tax are recognised in the consolidated statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amount, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

Deferred tax is not recognised for :

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future;

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

j Cash dividends

The Group recognises a liability to make cash distributions to equity holders of the parent when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. An interim dividend is recorded as a liability on the date of declaration by the Board of Directors.

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.

k Earnings per share (EPS)

Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

l Leases

The Group has adopted Ind AS 116 Leases effective from April 1 2019 using modified retrospective approach.

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Group assesses whether: (i) the contact involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

As a lessee, the Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of- use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the fixed payments, including insubstance fixed payments;

The lease liability is measured at amortised cost using the effective interest method.

The Group applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

The Group's leases comprise buildings for warehouse facilities and office premises.

m Provisions and contingent liability

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Contingent liabilities are reviewed at each reporting date.

n Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss 'FVTPL') are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the consolidated statement of profit and loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost (except for debt instruments that are designated at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in the consolidated statement of profit and loss and is included in the "Other income" line item.

Financial assets at FVTPL

Debt instruments that do not meet the amortised cost criteria or Fair value through other comprehensive income (FVTOCI) criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting date, with any gains or losses arising on remeasurement recognised in the consolidated statement of profit and loss. The net gain or loss recognised in the consolidated statement of profit and loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

For trade receivables and any contractual right to receive cash or another financial asset that result from transactions that are within the scope of IND AS 115 Revenue from operations, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses. Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under IND AS 109 Financial instruments.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting date.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in consolidated statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting years. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting date, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the consolidated statement of profit and loss.

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109 Financial instruments. A financial liability (or a part of a financial liability) is derecognized from the Group's consolidated balance sheet when the obligation specified in the contract is discharged or cancelled or expires.

Derivative financial instruments

The Group enters into foreign exchange forward contracts to manage its exposure to foreign exchange rate risks.

These contracts are initially recognised at fair value at the date the same are entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognised in the consolidated statement of profit and loss immediately, unless the contract is designated and effective as a hedging instrument, in which event the timing of the recognition in the consolidated statement of profit and loss depends on the nature of hedging relationship and the nature of the hedged item.

o **Standards issued but not effective**

On March 24, 2021, the Ministry of Corporate Affairs {"MCA"} through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule Ill and are applicable from April1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under' 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc."

Statement of profit and loss:

- Additional disclosure relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

3 Property, plant and equipments (PPE)

(Currency: ₹ in Lakhs)

Description of Assets	Plant and Machinery	Owned office premises	Office equipments	Furniture and fixtures	Electrical installations	Vehicles	Total
I. Cost							
Balance as at April 1, 2020	**37.42**	**1,537.84**	**335.51**	**143.42**	**15.83**	**69.59**	**2,139.61**
Additions	0.15	-	28.21	3.43	0.96	-	32.75
Disposals	-	-	(11.40)	-	-	-	(11.40)
Balance as at March 31, 2021	**37.57**	**1,537.84**	**352.32**	**146.85**	**16.79**	**69.59**	**2,160.96**
II. Accumulated depreciation for the year ended March 31, 2021							
Balance as at April 1, 2020	**(13.10)**	**(113.18)**	**(225.15)**	**(96.73)**	**(11.97)**	**(25.16)**	**(485.29)**
Depreciation for the year	(3.04)	(28.27)	(52.46)	(20.49)	(2.48)	(8.36)	(115.10)
Disposals	-	-	11.40	-	-	-	11.40
Balance as at March 31, 2021	**(16.14)**	**(141.45)**	**(266.21)**	**(117.22)**	**(14.45)**	**(33.52)**	**(588.99)**
Net block (I+II)	**21.43**	**1,396.39**	**86.11**	**29.63**	**2.34**	**36.07**	**1,571.97**

Description of Assets	Plant and Machinery	Owned office premises	Office equipments	Furniture and fixtures	Electrical installations	Vehicles	Total
I. Cost							
Balance as at April 1, 2019	**36.03**	**1,537.84**	**267.51**	**141.44**	**15.83**	**69.59**	**2,068.24**
Additions	1.39	-	86.62	1.98	-	-	89.99
Disposals	-	-	(18.62)	-	-	-	(18.62)
Balance as at March 31, 2020	**37.42**	1,537.84	335.51	143.42	15.83	69.59	2,139.61
II. Accumulated depreciation for the year ended March 31, 2020							
Balance as at April 01, 2019	**(9.22)**	**(84.83)**	**(191.51)**	**(73.06)**	**(8.92)**	**(16.78)**	**(384.32)**
Depreciation for the year	(3.88)	(28.35)	(51.90)	(23.67)	(3.05)	(8.38)	(119.23)
Disposals	-	-	18.26	-	-	-	18.26
Balance as at March 31, 2020	**(13.10)**	(113.18)	(225.15)	(96.73)	(11.97)	(25.16)	(485.29)
Net block (I+II)	**24.32**	**1,424.66**	**110.36**	**46.69**	**3.86**	**44.43**	**1,654.32**

3A Right-of-use asset (ROU assets)

(Currency: ₹ in Lakhs)

Description of assets	Leased warehouse and office premises	Total
I. Cost		
Balance as at April 1, 2020	1,423.97	1,423.97
Additions	120.21	120.21
ROU Security Deposit	-	-
Balance as at March 31, 2021	**1,544.18**	**1,544.18**
II. Accumulated depreciation for the year ended March 31, 2021		
Balance as at April 1, 2020	**(457.21)**	**(457.21)**
Depreciation for the year	(428.60)	(428.60)
Amortisation of ROU Security Deposit	(4.28)	(4.28)
Balance as at March 31, 2021	**(890.09)**	**(890.09)**
Net block (I+II)	**654.09**	**654.09**

Description of assets	Leased warehouse and office premises	Total
I. Cost		
Balance as at April 1, 2019	738.29	738.29
Additions	671.71	671.71
ROU Security Deposit	**13.97**	**13.97**
Balance as at March 31, 2020	**1,423.97**	**1,423.97**
II. Accumulated depreciation for the year ended March 31, 2021		
Balance as at April 1, 2019	-	-
Depreciation for the year	(452.93)	(452.93)
Amortisation of ROU Security Deposit	(4.28)	(4.28)
Balance as at March 31, 2021	**(457.21)**	**(457.21)**
Net block (I+II)	**966.76**	**966.76**

Notes: 1. The aggregate depreciation expense on right-of-use asset is included under depreciation and amortisation expense in the Consolidated statement of profit and loss.

2. Refer note no. 36 "Leases" for ROU assets movement.

3B Other intangible assets

Particulars	Amount
Computer softwares	
Balance as at April 1, 2020	**14.23**
Additions during the year	-
Balance as at March 31, 2021	**14.23**
Accumulated amortisation for the year ended March 31, 2020	
Balance as at April 1, 2020	**(13.03)**
Amortisation expense for the year	(0.70)
Balance as at March 31, 2021	**(13.73)**
Net block	**0.50**

Particulars	Amount
Computer software	
Balance as at April 1, 2019	**14.23**
Additions during the year	-
Balance as at March 31, 2020	**14.23**
Accumulated amortisation for the year ended March 31, 2020	
Balance as at April 1, 2019	**(10.82)**
Amortisation expense for the year	(2.21)
Balance as at March 31, 2020	**(13.03)**
Net block	**1.20**

4 Goodwill

(Currency: ₹ in Lakhs)

Particulars	As at March 31	
	2021	2020
Cost or deemed cost	1,534.96	1,534.96
Total	**1,534.96**	**1,534.96**

5 Other financial assets (unsecured, considered good)

Non-current

Particulars	As at March 31	
	2021	2020
Security deposits	153.96	120.42
Total	**153.96**	**120.42**

Current

Particulars	As at March 31	
	2021	2020
Security deposits	10.25	44.71
Forward contract asset	2.11	12.46
Other advances	-	4.54
Unbilled revenue	29.74	71.07
Interest accrued on deposits	23.63	23.28
Total	**65.73**	**156.06**

There are no other financial assets which have a significant increase in credit risk or are credit impaired.

6 Deferred tax assets (net)

The following is the analysis of deferred tax assets/(liabilities) presented in the consolidated balance sheet:

Particulars	As at March 31	
	2021	2020
Deferred tax assets	437.13	463.58
Deferred tax liabilities	(180.17)	(171.12)
Net	**256.96**	**292.46**

Year ended March 31, 2021

Particulars	Opening balance	Recognised in Consolidated statement of profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Provision for inventory obsolescence	142.18	(26.46)	-	115.72
Provision for doubtful advances	73.09	(8.28)	-	64.81
Allowance for expected credit loss and credit impared on trade receivables	49.38	15.83	-	65.21
Defined benefit obligation	11.41	1.91	0.64	13.96
Disallowance under section 43B of Income Tax Act, 1961	25.13	(10.12)	-	15.01
Expenses disallowed pursuant to Section 40 (i) (a) of Income Tax Act, 1961	157.18	-	-	157.18
Intangible assets	(0.05)	0.08	-	0.03
Others	5.21	-	-	5.21
Deferred tax assets	**463.53**	**(27.04)**	**0.64**	**437.13**

6 Deferred tax assets (net) (contd.)

(Currency: ₹ in Lakhs)

Year ended March 31, 2021

Particulars	Opening balance	Recognised in Consolidated statement of profit or loss	Recognised in other comprehensive income	Closing balance
Property, plant and equipment	(157.08)	(7.67)	-	(164.75)
Others (includes fair value of investments and allowance under chapter VIA etc.)	(13.99)	(1.43)	-	(15.42)
Deferred tax liabilities	**(171.07)**	**(9.10)**	**-**	**(180.17)**
Total	**292.46**	**(36.14)**	**0.64**	**256.96**

Year ended March 31, 2020

Particulars	Opening balance	Recognised in Consolidated statement of profit or loss	Recognised in other comprehensive income	Closing balance
Deferred tax (liabilities)/assets in relation to:				
Provision for inventory obsolescence	253.55	(111.37)	-	142.18
Provision for doubtful advances	56.03	17.06	-	73.09
Allowance for expected credit loss and credit impared on trade receivables	249.98	(200.60)	-	49.38
Defined benefit obligation	3.43	2.65	5.33	11.41
Disallowance under section 43B of Income Tax Act, 1961	27.56	(2.43)	-	25.13
Expenses disallowed pursuant to Section 40 (i) (a) of Income Tax Act, 1961	148.12	9.06	-	157.18
Others	0.01	5.20	-	5.21
Deferred tax assets	**738.68**	**(280.43)**	**5.33**	**463.58**
Property, plant and equipment	(203.58)	46.50	-	(157.08)
Intangible assets	(0.61)	0.56	-	(0.05)
Others (includes fair value of investments and allowance under chapter VIA etc.)	-	(13.99)	-	(13.99)
Deferred tax liabilities	**(204.19)**	**33.07**	**-**	**(171.12)**
Total	**534.49**	**(247.36)**	**5.33**	**292.46**

7 Current tax assets (net)

Particulars	As at March 31	
	2021	2020
Advance Income tax assets (net)		
Advance payment of taxes	(2,285.85)	193.73
Less : Provision for Income tax	2,311.89	(165.10)
	26.04	**28.63**

8 Other assets

Non current

Particulars	As at March 31	
	2021	2020
Recoverable from government authorities		
Unsecured, considered good	-	-
Unsecured, considered doubtful	56.96	56.96
Less : Provisions	(56.96)	(56.96)
Advances to suppliers		
Unsecured, considered doubtful	12.91	12.91
Less : Provisions	(12.91)	(12.91)
Total	**-**	**-**

8 Other assets (Contd.)

(Currency: ₹ in Lakhs)

Current

Particulars	As at March 31	
	2021	2020
Unsecured, Considered good		
Customs and other duties recoverable	736.74	1,058.63
Advances to suppliers	70.19	115.14
Advance to employees	5.43	8.11
Prepaid expenses	138.02	148.66
Advance to Gratuity Trust	-	25.00
Total	**950.38**	**1,355.54**

9 Inventories

Particulars	As at March 31	
	2021	2020
Inventories (lower of cost and net realisable value)		
Stock-in-trade - networking products	6,120.32	6,867.16
Stock-in-trade - networking products - Goods-in-transit	2,974.27	3,079.53
Total	**9,094.59**	**9,946.69**

The cost of stock-in-trade is net of provision in respect write-down of inventories to net realisable value amounting to ₹ 459.75 Lakhs (as at March 31, 2020 : ₹ 564.89 Lakhs).

10 Other investments

Current investments

Particulars	As at March 31, 2021		As at March 31, 2020	
	Qty	Amount	Qty	Amount
Unquoted investments				
Aditya Birla Sun Life Liquid Fund - Growth - Direct	-	-	94,902.09	303.27
Mahindra Liquid Fund - Direct - Growth	-	-	19,500.20	251.30
ICICI Prudential Liquid Fund - Direct Plan Growth	201,325.10	613.51	51,739.43	152.00
HDFC Liquid Fund -Direct Plan - Growth Option	12,523.80	506.65	-	-
Aditya Birla Sun Life Liquid Fund - Growth - Direct Plan	215,591.59	714.76	-	-
Nippon India Liquid Fund - Direct Plan -Growth Plan	13,181.65	663.38	6,220.26	301.73
Axis Liquid Fund - Growth - Regular	31,229.10	709.75	-	-
UTI Liquid Cash Plan - Direct Grwoth Plan	16,621.27	560.22	9,285.93	301.93
LIC MF Liquid Fund - Direct Plan - Growth	12,397.64	463.28	8,371.50	301.70
SBI Liquid Fund Direct Growth	12,734.97	410.27	6,456.23	200.70
Tata Liquid Fund Regular Plan Growth	6,551.86	211.28	12,931.77	402.64
Total		**4,853.10**		**2,215.27**
Aggregate amount of unquoted investments		4,853.10		2,215.27
Aggregate amount of impairment in the value of investments		-		-

11 Trade receivables

Particulars	As at March 31	
	2021	2020
(a) Unsecured, considered good		
- from related parties*	178.89	201.93
- from others	17,819.79	17,441.90
Less : Allowance for expected credit loss	(237.18)	(173.50)
(b) Credit impaired	21.89	22.66
Provision for credit impaired	(21.89)	(22.66)
Total	**17,761.50**	**17,470.33**

* Refer Note 41 for related party transactions

(Currency: ₹ in Lakhs)

11 Trade receivables (contd.)

The average credit period on sales is 30 to 60 days. No interest is charged on overdue trade receivables.

A formal credit policy has been framed and credit facilities are given to customers within the framework of credit policy. As credit risk management mechanism, a policy for doubtful debts has been formulated and the risk exposure related to receivables is identified based on criteria's mentioned in policy and provided in credit loss allowance.

There are no trade receivables which have a significant increase in credit risk.

At March 31, 2021, the carrying amount of the Company's most significant customers is ₹ 4,805.15 Lakhs (March 31, 2020 : ₹ 6,828.97 Lakhs)

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables as at March 31, 2021

Particulars	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Within the credit period	15,071.67	0.00%	-
1 to 90 days past due	2,554.35	0.00%	-
91 to 180 days past due	89.53	4.20%	3.76
181 to 270 days past due	-	0.00%	-
271 to 360 days past due	-	0.00%	-
More than 360 days past due	305.02	76.53%	233.42
Total	**18,020.57**		**237.18**

Note: Additional provision of ₹ 21.89 Lakhs created based on management estimate towards certain debtors over and above the provision as per expected credit loss model.

The following table provides information about the exposure to credit risk and expected credit loss for trade receivables as at March 31, 2020.

Particulars	Gross carrying amount	Weighted-average loss rate	Loss allowance provision
Within the credit period	11,923.70	0.00%	-
1 to 90 days past due	5,402.13	0.23%	12.21
91 to 180 days past due	152.02	5.75%	8.74
181 to 270 days past due	2.62	20.13%	0.53
271 to 360 days past due	16.14	30.10%	4.86
More than 360 days past due	169.88	86.62%	147.16
Total	**17,666.49**		**173.50**

Note: Additional provision of ₹ 22.66 Lakhs created based on management estimate towards certain debtors over and above the provision as per expected credit loss model.

12 Cash and cash equivalents

Particulars	As at March 31	
	2021	2020
Cash on hand	0.30	0.75
Balances with banks in current accounts	1,669.41	868.18
Total	**1,669.71**	**868.93**

13 Bank balances other than above

Particulars	As at March 31	
	2021	2020
Earmarked balances		
- Unpaid dividend accounts	12.13	11.03
Fixed deposits with Bank with original maturity for more than 3 months and maturing within 12 months	4,514.81	1,080.64
- Given as security against Bank Guarantees - ₹ 18.29 Lakhs (as at 31 March 2020 : NIL)		
Total	**4,526.94**	**1,091.67**

(Currency: ₹ in Lakhs)

14 Equity share capital

Particulars	As at March 31 2021	As at March 31 2020
Authorised Share capital :		
70,000,000 (March 31, 2020 : 70,000,000) equity shares of ₹ 2 each	1,400.00	1,400.00
Issued, subscribed and fully paid up:		
35,504,850 (March 31, 2020 : 35,504,850) fully paid equity shares of ₹ 2 each	710.10	710.10
Total	**710.10**	**710.10**

i. Reconciliation of number of shares outstanding

Particulars	As at March 31	
	2021	2020
	Number of shares	Number of shares
At the beginning of the year	35,504,850	35,504,850
At the end of the year	35,504,850	35,504,850

ii. Terms and Rights attached

The Company has a single class of equity shares. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

iii. Details of equity shares held by the Holding Company

Particulars	As at March 31	
	2021	2020
	Number of shares	Number of shares
D-Link Holding Mauritius Inc.	18,114,663	18,114,663

iv. Details of equity shares held by each shareholder holding more than 5% shares

As at March 31, 2021

Name of Shareholders	As at March 31, 2021	
	Number of shares held	% holding in the class of shares
Fully paid equity shares		
D-Link Holding Mauritius Inc., holding company	18,114,663	51.02%
Mukesh Tirthdas Lulla	2,755,000	7.76%

As at March 31, 2020

Name of Shareholders	As at March 31, 2020	
	Number of shares held	% holding in the class of shares
Fully paid equity shares		
D-Link Holding Mauritius Inc., holding company	18,114,663	51.02%
Mukesh Tirthdas Lulla	2,755,000	7.76%

v. No shares have been issued for consideration other than cash during the period of five years immediately preceding the reporting date.

15 Other Equity

(Currency: ₹ in Lakhs)

Particulars	As at March 31	
	2021	2020
General reserve -Refer note (i) below	1,022.81	1,022.81
Securities premium reserve - Refer note (ii) below	3,591.34	3,591.34
Retained earnings - Refer note (iii) below		
Balance at the beginning of the year	18,527.73	15,663.98
Add : Transferred from statement of profit and loss	3,134.86	3,521.63
Add : Other comprehensive income - Refer note (iv) below	(1.92)	(15.84)
Less : Dividend paid	355.04	532.57
Less : Tax on dividends distributed during the year	-	109.47
Balance at the end of the year	21,305.63	18,527.73
Total	**25,919.78**	**23,141.88**

(i) The general reserve is credited from time to time to transfer profits from retained earnings for appropriation purposes.

(ii) Security premium account is created when shares are issued at premium. The Group can use it only in accordance with the provisions of the Companies Act, 2013.

(iii) Retained earnings comprise of the Group's undistributed profits after taxes.

(iv) Other comprehensive income consist of re-measurement of defined benefit plan comprises actuarial gains and losses and return on plan assets (excluding interest income).

16 Other financial liabilities

Non current

Particulars	As at March 31	
	2021	2020
Security deposits	30.47	26.99
Total	**30.47**	**26.99**

Current

Particulars	As at March 31	
	2021	2020
(a) Unclaimed dividends	12.13	11.03
(b) Others :-		
- Security deposits	-	9.30
- Provision for retention bonus	-	14.75
Total	**12.13**	**35.08**

17 Trade payables

Particulars	As at March 31	
	2021	2020
Total outstanding dues of micro and small enterprises (Refer note below)	188.44	173.79
Total outstanding dues of creditors other than micro and small enterprises	14,855.59	12,159.99
Total	**15,044.03**	**12,333.78**

The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 34(ii).

Disclosures relating to amounts payable as at the year end together with interest paid / payable to Micro, Small and Medium Enterprises have been made in the accounts, as required under the Micro, Small and Medium Enterprises Development Act, 2006 to the extent of information available with the Group determined on the basis of intimations received from suppliers regarding their status and required disclosures are given below :

17 Trade payables (contd.)

(Currency: ₹ in Lakhs)

Particulars	As at March 31	
	2021	2020
(i) the principal amount remaining unpaid as on year end.	188.44	173.79
(ii) the amount of interest due thereon remaining unpaid as on year end.	-	-
(iii) the amount of interest paid by the Group in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of payment made to the supplier beyond the appointed day during the year.	-	-
(iv) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed date during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	-	-
(v) the amount of interest accrued and remaining unpaid as on year end and	-	-
(vi) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

18 Other current liabilities

Particulars	As at March 31	
	2021	2020
(a) Advances from customers	1.77	5.82
(b) Others		
- Statutory dues*	101.63	102.50
- Disputed demand of Value Added Tax / Central Sales Tax	21.40	21.40
- Other liabilities - Employees benefits payable	236.97	65.74
- Payable on behalf of Principal (net)	105.23	82.74
Total	**467.00**	**278.20**

* Includes provident fund and tax dedcuted at source etc

19 Provisions

Current

Particulars	As at March 31	
	2021	2020
Employee benefits		
- Gratuity-Defined benefit liabilities (refer note 32)	54.56	45.34
- Provision for compensated absences	83.84	99.81
Total	**138.40**	**145.15**

20 Current tax liabilities (net)

Particulars	For the year ended March 31	
	2021	2020
Current tax liabilities		
Provision for Income tax	2,848.27	4,208.93
Less : Advance payment of taxes	(2,764.06)	(4,169.40)
Total	**84.21**	**39.53**

21 Revenue from operations

(Currency: ₹ in Lakhs)

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
(a) Sales of networking products	70,979.76	72,433.66
(b) Sales of services relating to network security software	1,637.50	1,541.03
(c) Other operating revenues		
- Export benefits	37.43	-
- Others	-	33.18
Total	**72,654.69**	**74,007.87**

For the year ended March 31, 2020, revenues from sales of Networking products to two significant customer is ₹ 21,840.27 Lakhs (year ended March 31, 2020 : ₹ 29,308.32 Lakhs).

Refer Note 38 for disaggregation of revenue.

Reconciliation of revenue recognized with the contracted price is as follows:

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Contracted Price	74,889.39	76,053.54
Reductions towards variable consideration components	(2,234.70)	(2,045.67)
Revenue recognised	**72,654.69**	**74,007.87**

The reduction towards variable consideration comprises of volumn discounts, rebates etc.

22 Other income

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
a) Interest income		
- On fixed deposits with banks	149.01	59.25
b) Others		
- Operating sub-lease rental income	12.84	52.94
- Sundry balances written back (net)	29.99	7.31
- Net gain on disposal of property, plant and equipment	0.41	1.01
- Net gain on foreign currency transactions and translations	350.79	159.15
- Mark to Market - forward contracts measured at FVTPL	-	20.55
- Mark to Market - current investments measured at FVTPL	103.11	15.27
- Net Gain on sale of current investments	31.05	59.74
- Allowance for expected credit loss written back	-	519.99
- Finance Income on security deposit	2.96	6.95
- Miscellaneous income	4.61	1.88
Total	**684.77**	**904.04**

23 Purchase of stock-in-trade

Particulars	For the year ended March 31 2021	For the year ended March 31 2020
Purchase of Stock-in-Trade - networking products	58,815.38	61,393.92
Total	**58,815.38**	**61,393.92**

24 Changes in inventories of stock-in-trade

(Currency: ₹ in Lakhs)

Particulars	For the year ended March 31	
	2021	2020
Closing stock - networking products	9,094.59	9,946.69
Less : Opening stock - networking products	9,946.69	8,287.79
Total	**852.10**	**(1,658.90)**

25 Employee benefits expense

Particulars	For the year ended March 31	
	2021	2020
Salaries, wages and bonus	3,552.37	3,431.78
Contribution to provident and other funds (refer note 32)	135.48	119.10
Staff welfare expenses	84.14	117.42
Total	**3,771.99**	**3,668.30**

26 Finance costs

Particulars	For the year ended March 31	
	2021	2020
Interest		
- On cash credit accounts	-	0.58
- On delayed payments of Income-tax / GST	7.35	7.16
- On lease liabilities (refer note 36)	79.05	64.25
Total	**86.40**	**71.99**

27 Depreciation and amortisation expense

Particulars	For the year ended March 31	
	2021	2020
Depreciation of property, plant and equipment (refer note 3)	115.10	119.23
Depreciation of right-of-use asset (refer note 3A)	428.60	452.94
Amortisation of intangible assets (refer note 3B)	0.70	2.21
Total	**544.40**	**574.38**

28 Other expenses

Particulars	For the year ended March 31	
	2021	2020
Power and fuel	75.13	87.20
Travelling and conveyance	82.27	271.26
Legal and consultation fees	234.08	288.49
Royalty fees	706.28	174.21
Audit Fees (refer note below)	55.66	57.77
Rates and taxes	17.19	24.45
Repairs and Maintenance - others	269.51	246.90
Communication expenses	89.48	85.31

28 Other expenses (contd.)

(Currency: ₹ in Lakhs)

Particulars	For the year ended March 31	
	2021	2020
Insurance expenses	163.69	151.09
Advertisement and sales development expenses	2,346.66	3,165.44
Freight outward expenses	86.96	467.76
Servicing expenses	462.75	467.69
Packing material consumed	56.05	60.20
Directors sitting fees	25.75	26.00
Corporate Social Responsibility expenses (refer note 39)	118.20	121.98
Allowance for expected credit loss and credit impared on trade receivables and advances	62.89	-
Loss on disposal of property, plant and equipment	-	0.36
Net loss on foreign currency transactions and translations	11.30	-
Mark to Market - forward contracts measured at FVTPL	10.35	-
Bad debts written off	18.35	299.79
Net loss on agency business	18.18	239.31
Miscellaneous expenses	118.83	133.78
Total	**5,029.56**	**6,368.99**

Note :

Particulars	For the year ended March 31	
	2021	2020
a) For audit		
- For statutory audit	23.50	26.50
- For limited reviews	13.50	10.50
b) For other services	17.50	18.71
c) For reimbursement of expenses	1.16	2.06
Total	**55.66**	**57.77**

29 Inome taxes

i. Income tax recognised in consolidated statement profit or loss

Particulars	For the year ended March 31	
	2021	2020
Current tax		
In respect of the current year	1,084.60	1,140.92
Short / (Excess) provision for tax in respect of earlier years charged / (written back)	(16.00)	40.48
	1,068.60	1,181.40
Deferred tax	**36.14**	**247.36**
	36.14	247.36
Total income tax expense recognised in the current year	**1,104.74**	**1,428.76**

29 Inome taxes (contd.)

(Currency: ₹ in Lakhs)

The income tax expense for the year can be reconciled to the accounting profit as follows:

Particulars	For the year ended March 31	
	2021	2020
Profit before tax	4,239.63	4,950.40
Income tax expense calculated at 25.17% (March 31, 2020 : 25.17%)	1,067.11	1,246.02
Effect of expenses that are not deductible in determining taxable profit		
Corporate Social Responsibility expenses	29.75	17.21
Disallowance u/s 14A of Income Tax Act, 1961	-	5.06
Others*	23.88	119.99
	1,120.74	**1,388.28**
Adjustments recognised in the current year in relation to the current tax of prior years	(16.00)	40.48
Income tax expense recognised in consolidated statement of profit or loss	**1,104.74**	**1,428.76**

*Impact of tax rate change: The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has re-measured its Deferred Tax Assets basis the rate prescribed in the said section. The full impact of this change has been recognised in the consolidated statement of profit and loss in the previous year.

ii. Income tax recognised in other comprehensive income

Particulars	For the year ended March 31	
	2021	2020
Deferred tax		
Arising on income and expenses recognised in other comprehensive income:		
On account of re-measurement of defined benefit obligation	(0.64)	(5.33)
Total income tax recognised in other comprehensive income	**(0.64)**	**(5.33)**
Bifurcation of the income tax recognised in other comprehensive income into:-		
Items that will not be reclassified to profit or loss	(0.64)	(5.33)
Items that may be reclassified to profit or loss	-	-

30 Earnings per share

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:

Particulars	For the year ended March 31	
	2021	2020
Net Profit after tax (₹ in Lakhs)	3,134.86	3,521.63
Weighted average number of Equity Shares outstanding during the year	35,504,850	35,504,850
Basic and diluted earnings per share (Rupees)	8.83	9.92
Nominal value per share (Rupees)	2.00	2.00

31 Dividend on Equity shares

(Currency: ₹ in Lakhs)

Particulars	As at March 31	
	2021	2020
Cash dividend on Equity shares declared and paid :		
Final dividend for the year March 31, 2020: ₹ 1 per share (March 31, 2019: ₹ 1 per share)	355.04	355.04
Dividend distribution tax on final dividends	-	72.98
Interim dividend for the year March 31, 2021: ₹ 0 per share (March 31, 2020: ₹ 0.50 per share)	-	177.53
Dividend distribution tax on interim dividends	-	36.49
Proposed dividends on Equity shares:		
Proposed cash dividend for the year March 31, 2021: ₹ 1.80 per share (March 31, 2020: ₹ 1 per share)	639.09	355.04
Dividend distribution tax on final dividend	-	-

Proposed dividend on equity shares is subject to approval at the annual general meeting and is not recognised as a liability as at the year end.

32 Employee benefit plans

i. Defined contribution plans

The Group makes Provident Fund and Employee's state insurance corporation (ESIC) contributions which are in the nature of defined contribution plans, for qualifying employees. Under the Schemes, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The Group recognised ₹ 75.55 Lakhs (Previous Year ended March 31, 2020: ₹ 71.63 Lakhs) towards Provident Fund contribution and ₹ 4.38 Lakhs (Previous Year ended March 31, 2020: ₹ 5.09 Lakhs) towards ESIC contribution included under employee benefits expense in the consolidated statement of profit and loss. The contributions payable to these plans by the Group are at rates specified in the rules of the schemes.

ii. Defined benefit plan

The gratuity scheme is a defined benefit plan that provides for a lump sum payment to the employees on exit either by way of retirement, death, disability or voluntary withdrawal. Under the scheme, the employees are entitled to a lump sum amount aggregating to 15 days final basic salary for each year of completed service payable at the time of retirement/resignation, provided the employee has completed 5 years of continuous service. The defined benefit plan is administered by a third-party insurer. The third-party insurer is responsible for the investment policy with regards to the assets of the plan.

Under the plan, the employees are entitled to a sum amounting to 15 days final basic salary for each year of completed service payable subject to maximum of ₹ 20 Lakhs at the time of retirement / resignation provided the employee has completed 5 years of continuous services.

The Plan exposes the Group to the following risks:

Investment risk	The return on investments will impact the position of the defined benefit plan liability. If the return falls, net defined benefit obligation will increase the value of the liability.
Interest risk	The defined benefit obligation calculated uses a discount rate based on government bonds. All other aspects remaining same, if bond yields fall, the defined benefit obligation will increase the value of the liability.
Longevity risk	The Group has used certain mortality and attrition assumptions in the valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumptions considered.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

The risk relating to benefits to be paid to the dependents of plan members (widow and orphan benefits) is insured by an external insurance company.

iii. The disclosure as required under Ind AS 19 Employee benefits as per actuarial valuation regarding Employee Retirement Benefits Plan for gratuity is as follows:

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	Valuation as at	
	As at March 31	
	2021	2020
Discount rate(s)	6.31% to 6.74%	6.51% to 6.77%
Expected rate(s) of salary increase	8% to 10%	8% to 10%
Mortality rates	IALM (2012-14) Ult.	IALM (2012-14) Ult.
Rate of employee turnover	0 to 15 - 5% to 15% 15 to 42 - 0%	0 to 15 - 5% to 15% 15 to 42 - 0%

32 Employee benefit plans (contd.)

(Currency: ₹ in Lakhs)

Discount Rate

The discount rate is based on the prevailing market yields of Indian government securities as at reporting date for the estimated term of the obligations.

Salary Escalation Rate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Amounts recognised in the consolidated statement of profit and loss in respect of these defined benefit plans are as follows:

Particulars	For the year ended March 31	
	2021	2020
Current service cost	58.88	50.82
Net interest expense	1.03	(2.86)
Components of defined benefit costs recognised in statement of profit or loss	**59.91**	**47.96**

Particulars	For the year ended March 31	
	2021	2020
Other Comprehensive Income (OCI)		
Return on plan assets (excluding amounts included in net interest expense)	(0.16)	3.05
Actuarial (gains) / losses recognised for the period	2.72	18.12
Components of defined benefit costs recognised in other comprehensive income	**2.56**	**21.17**

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the consolidated statement of profit and loss.

The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows.

Particulars	As at March 31	
	2021	2020
Present value of funded defined benefit obligation	445.23	379.21
Fair value of plan assets	(390.67)	(333.87)
Net liability arising from defined benefit obligation	54.56	45.34

Movements in the present value of the defined benefit obligation are as follows.

Particulars	As at and for the year ended March 31	
	2021	2020
Opening defined benefit obligation	379.21	330.82
Current service cost	58.88	50.83
Interest cost	24.67	23.98
Actuarial Gains on obligation	2.72	18.12
Benefits paid	(20.25)	(44.54)
Closing defined benefit obligation	**445.23**	**379.21**

Movements in the fair value of the plan assets are as follows.

Particulars	For the year ended March 31	
	2021	2020
Opening fair value of plan assets	333.87	341.80
Interest income	23.64	26.84
Return on plan assets (excluding amounts included in net interest expense)	0.16	(3.05)
Contributions from the employer	53.25	12.68
Benefits paid	(20.25)	(44.40)
Closing fair value of plan assets	**390.67**	**333.87**

32 Employee benefit plans (contd.)

(Currency: ₹ in Lakhs)

Particulars	For the year ended March 31	
	2021	2020
Insurer Managed Funds	**100%**	**100%**

The weighted average remaining duration of the defined benefit obligation as at March 31, 2021 is 12.84 years (as at March 31, 2020 : 13.03 years) and for the Subsidiary Company is 8.48 years (as at March 31, 2020 : 8.29 years)

Sensitivity Analysis	2020-21	2019-20
Projected Benefit Obligation on Current Assumptions	445.23	379.21
Delta effect of +1% change in Rate of Discounting	(49.26)	(42.09)
Delta effect of -1% change in Rate of Discounting	59.62	51.06
Delta effect of +1% change in Rate of Salary increase	45.66	39.47
Delta effect of -1% change in Rate of Salary increase	(41.79)	(35.79)
Delta effect of +1% change in Rate of Employee Turnover	(7.09)	(6.01)
Delta effect of -1% change in Rate of Employee Turnover	**4.53**	**3.87**

The Sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in the assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Expected contribution to defined benefit plan for the next year

Particulars	Gratuity	
	March 31, 2021	March 31, 2020
Expected contribution to defined benefit plan	**54.56**	**45.34**

33 Financial instruments

i. Capital management

The Group manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance. The group is not subject to any externally imposed capital requirements.

ii. Categories of financial instruments

Particulars	Notes	As at March 31	
		2021	2020
Financial assets			
Measured at fair value through profit or loss (FVTPL)			
(a) Investment in mutual fund (unquoted)	10	4,853.10	2,215.27
(b) Forward contracts	5	2.11	12.46
Measured at amortised cost			
(a) Cash and cash equivalents	12	1,669.71	868.93
(b) Bank balances other than (a) above	13	4,526.94	1,091.67
(c) Trade receivables	11	17,761.50	17,470.33
(d) Other financial assets	5	217.58	264.02
Financial liabilities			
Measured at amortised cost			
(a) Trade payables	17	15,044.03	12,333.78
(b) Lease liabilities	36	714.16	992.41
(c) Other financial liabilities	16	42.60	62.07

34 Financial risk management objectives

(Currency: ₹ in Lakhs)

The Group's principal financial liabilities, comprise short term borrowings, trade and other payables. The main purpose of these financial liabilities is to support its operations. The group's principal financial assets include trade and other receivables, current investments and cash that are derived directly from its operations.

The Group's activities expose it to a variety of financial risks: credit risk, liquidity risk, market risk (including foreign currency and interest rate risk). The group's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimize potential adverse effects of such risks on the group's operational and financial performance.

i. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of dealing with only credit worthy counterparties and the credit risk exposure for them is managed by the Group by credit worthiness checks. The group also takes a credit risk insurance policy.

The carrying amount of financial assets represents the maximum credit risk exposure.

The credit risk on liquid funds and investments in Mutual funds is limited because the counterparties are banks / Mutual funds with high credit-ratings assigned by international credit-rating agencies.

ii. Liquidity risk management

The Group's principal sources of liquidity are cash and cash equivalents, cash flow generated from operations and by churning of current investments. The Group does not have any significant borrowing. The Group believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

Liquidity risk tables

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2021.

Particulars	Carrying amount	Less than 1 year	1-5 years
Financial Liabilities			
Trade payables	15,044.03	15,044.03	-
Lease liabilities	714.16	443.88	270.28
Deposits received	30.47	-	30.47
Other financial liabilities	12.13	12.13	-

The table below provides details regarding the contractual maturities of financial liabilities as at March 31, 2020.

Particulars	Carrying amount	Less than 1 year	1-5 years
Financial Liabilities			
Trade payables	12,333.78	12,333.78	-
Lease liabilities	992.41	377.46	614.95
Deposits received	36.29	9.30	26.99
Other financial liabilities	11.03	11.03	-

Financing facilities

Particulars	As at March 31	
	2021	2020
Secured bank cash credit facility:		
i) amount used	-	-
ii) amount unused	1,500.00	1,500.00
Total	**1,500.00**	**1,500.00**
Secured non funded facilities from bank:		
i) amount used	-	-
ii) amount unused	1,500.00	1,500.00
Total	**1,500.00**	**1,500.00**

Note:

Cash Credit accounts and non funded facilities with banks are secured by hypothecation of inventories, book debts and receivables, both present and future on pari passu basis.

34 Financial risk management objectives (contd.)

(Currency: ₹ in Lakhs)

iii. Market risk

The Group is exposed to market risks associated with foreign currency rates.

Foreign currency risk management

The Group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are as follows.

Particulars	Trade payables as at		Trade receivables as at	
	As at March 31		As at March 31	
	2021	2020	2021	2020
Currency USD	6,142,268	4,721,676	947,509	948,125
Currency INR in lakhs	4,491.02	3,579.04	692.67	717.50

Foreign currency sensitivity analysis

The Group is mainly exposed to the US Dollar currency.

The Group's exchange risk arises from its foreign currency purchases and revenues, (primarily in U.S. Dollars).

As a result, if the value of the Indian Rupee appreciates relative to these foreign currencies, the group's purchases measured in Indian Rupees will decrease. The exchange rate between the Indian Rupee and these foreign currencies has changed substantially in recent periods and may continue to fluctuate substantially in the future. Due to lesser quantum of revenue from foreign currencies, the Group is not significantly exposed to foreign currency risk in receivables.

The following table details the Group's sensitivity to a 5% increase and decrease in the ₹ against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the ₹ strengthens 5% against the relevant currency. For a 5% weakening of the ₹ against the relevant currency, there would be a comparable impact on the profit or equity, and the balances below would be negative.

Particulars	USD Impact	
	As at March 31	
	2021	2020
Impact on profit or loss for the year	189.92	143.07
Impact on total equity as at the end of the year	189.92	143.07

In management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of the reporting period does not reflect the exposure during the year.

Forward foreign exchange contracts

The Group 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 group's foreign currency forward contracts is a bank. These contracts are entered into to hedge the foreign currency risks of firm commitments.

The following table details the forward foreign currency (FC) contracts outstanding at the end of the reporting period:

Outstanding Contracts	Average exchange rate (₹)		Foreign currency (USD)		Notional value (₹ in Lakhs)		Fair value assets (liabilities) (₹ in Lakhs)	
	As at March 31		As at March 31		As at March 31		As at March 31	
	2021	2020	2021	2020	2021	2020	2021	2020
Buy Currency								
Less than 3 months	72.91	74.85	1,700,000	1,250,000	1,241.40	933.41	2.11	12.46

35 Fair value measurements

(Currency: ₹ in Lakhs)

This note provides information about how the Group determines fair values of various financial assets and financial liabilities.

Fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the reporting date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Fair value of the group's financial assets and financial liabilities that are measured at fair value on a recurring basis.

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting date. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation technique(s) and inputs used).

Financial assets	Fair value As at March 31		Fair value hierarchy	Valuation technique(s) and key input(s)
	2021	2020		
Investments in mutual funds	4,853.10	2,215.27	Level 1	The mutual fund investments are valued at closing NAV provided by the fund.
Forward Contract Asset	2.11	12.46	Level 2	The Forward foreign currency contracts are valued at Mark to market values provided by banks with whom the Company contracts.

36 Disclosure as per Ind AS 116 Leases

1. As a lessee

The Group has applied Ind AS 116, which replaces Ind AS 17 Leases and the related interpretations from April 1, 2019 using the modified retrospective approach.

a. Right-of-use assets

The rights of use asset for lease assets is recognised under the following heads

Particulars	Leased warehouse and office premises	Total
Balance at April 1, 2020	**966.76**	**966.76**
Additions during the year	120.21	120.21
Deletions during the year	-	-
Depreciation charge for the year	(428.60)	(428.60)
Amortisation of ROU Security Deposit	(4.28)	(4.28)
Balance at March 31, 2021	**654.09**	**654.09**

Particulars	Leased warehouse and office premises	Total
Balance at April 1, 2019	**738.29**	**738.29**
Additions during the year	671.71	671.71
ROU Security Deposit	13.97	13.97
Deletions during the year	-	-
Depreciation charge for the year	(452.93)	(452.93)
Amortisation of ROU Security Deposit	(4.28)	(4.28)
Balance at March 31, 2020	**966.76**	**966.76**

36 Disclosure as per Ind AS 116 Leases (Contd.)

(Currency: ₹ in Lakhs)

b. Lease liabilities

Particulars	As at March 31	
	2021	2020
Maturity analysis - contractual undiscounted cash flows		
Less than one year	490.03	450.96
One to five years	280.98	641.86
More than five years	-	-
Total undiscounted lease liabilities at March 31, 2021	**771.01**	**1,092.82**

Lease liabilities included in the consolidated statement of financial position

Particulars	As at March 31	
	2021	2020
Current	443.88	377.46
Non-current	270.28	614.95

c. Amounts recognised in the consolidated statement of profit or loss

	For the year	
	2020-2021	2019-2020
Interest on lease liabilities	79.05	64.25

d. Amounts recognised in the consolidated statement of cash flows

	For the year	
	2020-2021	2019-2020
Total cash outflow for leases	394.86	417.58

37 Contingent liabilities

The Customs Department (Directorate of Revenue Intelligence) [DRI] had initiated enquiry of classification of certain products imported by the Parent Company during the previous years. As an outcome of this, the following Show Cause Notices from Customs Department (Directorate of Revenue Intelligence) were received by the Parent Company for misclassification of certain products imported pertain to earlier years;

(i) show cause notice (SCN) dated 10th May 2019 demanding differential duty amount of ₹ 794 Lakhs (excluding interest and penalty)

(ii) show cause notice (SCN) dated 13th June 2019 (i.e. patch panels) demanding differential duty amount of ₹ 940.48 Lakhs (excluding interest and penalty).

The Parent Company has received the adjudication orders from ADG, DRI dated 26th May 2020 in both the matters, partially setting aside the demand of duty pertaining to imports of goods and determining the duty liability to ₹ 54.54 Lakhs excluding the interest. In light of the order, the Parent Company reversed the excess provision of ₹ 457.17 Lakhs (including interest) during the previous year ended 31st March 2020.

On 11th December 2020, the customs department has filed an appeal in Customs, Excise & Service Tax Appellate Tribunal, contending such decision of ADG - DRI in respect of one of the orders involving a duty demand of ₹ 940.48 Lakhs. The Parent Company is waiting for hearing date. Further, no communication was received by the Parent Company for any appeal filed by the Customs department against other favourable order passed by ADG-DRI, Adjudication for the liability amounting to ₹ 794 lakhs. Based on the management assessment and external legal opinion, management has decided that the Parent Company has strong case to defend its position in the above matters.

38 Segment information

The principal business of the Group is marketing and distribution of D-Link branded Networking products. All other activities of the Group revolve around its main business. The CEO & Managing Director of the Parent Company, has been identified as the chief operating decision maker (CODM). The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. Therefore, directors have concluded that there is only one operating reportable segment as defined by Ind AS 108 - Operating Segments.

Revenue as per geography segment is as follows :

Particulars	For the year ended March 31	
	2021	2020
India	69,672.66	70,630.29
Outside India	2,982.03	3,377.58
Total	**72,654.69**	**74,007.87**

39 Corporate Social Responsibility

(Currency: ₹ in Lakhs)

(a) Expenditure related to Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof: ₹ 118.20 Lakhs (March 31, 2020: ₹ 121.98 Lakhs).

(b) Gross amount required to be spent during the year: ₹ 47.76 Lakhs (March 31, 2020 : ₹ 56.46 Lakhs).

40 The Group has considered the possible impact of events arising from COVID-19 pandemic and the resultant lockdowns in the preparation of the consolidated financial statement including but not limited to assessment of Group's liquidity and going concern, receivables, inventory and supply chain etc. The impact of pandemic may be different from that estimated as at the date of approval of these consolidated financial statement. Considering the existing uncertainties, the Group will continue to closely monitor any material changes and consequential impact on its consolidated financial statement.

41 Related party disclosures

a) Name of related parties where control exists irrespective of whether transactions have occurred or not

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

b) Other related parties (Subsidiaries of Ultimate Holding Company):

D-Link (Europe) Ltd.

D-Link International (Singapore)

D-Link Canada Inc.

D-Link Middle East-FZCO

D-Link Japan K K (DJP)

D-Link International Pte. Ltd.

D-Link International Pte. Ltd. (DILA)

D-Link Latin America Company Ltd.

D-Link Brazil LTDA

D-Link Australia Pty Limited

D-Link Systems Inc.

TeamF1 Inc., USA

c) Key management personnel / Directors

Mr. Tushar Sighat	Managing Director & CEO
Mr. C.M.Gaonkar *(Upto December 31, 2019)*	Former Chief Financials Officer
Mr. Vinay Joshi	Chief Financials Officer
Mr. Rajaram Ajgaonkar	Independent Director
Mr. Satish Godbole	Independent Director
Ms. Madhu Gadodia	Independent Director
Mr. Mukesh Lulla	Director
Mr. Hung Yi Kao	Chairman
Mr. Rajaram Jadhav	Director
Mr. Ming Lin Chien	Director

41 Related party disclosures (contd.)

d) Details of transactions with related parties during the year;

(Currency: ₹ in Lakhs)

Nature of transactions	Ultimate Holding Company / Holding Company	Other related parties (Subsidiaries of Ultimate Holding Company)	Key management person / Directors	Total
Purchase of Stock-in-trade				
D-Link International (Singapore)	**-**	**193.66**	**-**	**193.66**
	(-)	(31.07)	(-)	(31.07)
D-Link International Pte. Ltd.	**-**	**18,390.71**	**-**	**18,390.71**
	(-)	(19,836.68)	(-)	(19,836.68)
D-Link Corporation	**430.94**	**-**	**-**	**430.94**
	(176.29)	(-)	(-)	(176.29)
Others	**-**	**24.10**	**-**	**24.10**
	(-)	(74.80)	(-)	(74.80)
Sale of Stock-in-trade				
D-Link International (Singapore)	**-**	**0.22**	**-**	**0.22**
	(-)	(34.50)	(-)	(34.50)
D-Link Middle East-FZCO	**-**	**5.15**	**-**	**5.15**
	(-)	(20.46)	(-)	(20.46)
D-Link International Pte. Ltd. (DILA)	**-**	**-**	**-**	**-**
	(-)	(0.30)	(-)	(0.30)
Others	**-**	**2.93**	**-**	**2.93**
	(-)	(-)	(-)	-
Sale of Software Services				
D-Link International Pte Ltd (Singapore)	**-**	**1,133.03**	**-**	**1,133.03**
	(-)	(1,073.07)	(-)	(1,073.07)
Repairs & maintenance - IT Services				
D-Link Corporation	**218.16**	**-**	**-**	**218.16**
	(171.69)	(-)	(-)	(171.69)
Royalty paid				
D-Link Corporation	**706.28**	**-**	**-**	**706.28**
	(174.21)	(-)	(-)	(-)
Reimbursement of expenditure to				
D-Link International Pte. Ltd.	**-**	**31.65**	**-**	**31.65**
	(-)	(-)	(-)	-
D-Link International (Singapore)	**-**	**0.01**	**-**	**0.01**
	(-)	(-)	(-)	(-)
Reimbursement of expenditure from				
D-Link International Pte. Ltd	**-**	**1.87**	**-**	**1.87**
	(-)	(9.16)	(-)	(-)
Managerial Remuneration (refer note 1 below)				
Mr. Tushar Sighat	**-**	**-**	**229.73**	**229.73**
	(-)	(-)	(287.77)	(287.77)
Remuneration				
Mr. C.M.Gaonkar	**-**	**-**	**-**	**-**
	(-)	(-)	(50.76)	(50.76)
Mr Vinay Joshi	**-**	**-**	**36.91**	**36.91**
	(-)	(-)	(5.76)	(5.76)
Director's Sitting fees				
Mr. Rajaram Ajgaonkar	-	-	6.50	6.50
	(-)	(-)	(7.25)	(7.25)

41 Related party disclosures (contd.)

(Currency: ₹ in Lakhs)

Nature of transactions	Ultimate Holding Company / Holding Company	Other related parties (Subsidiaries of Ultimate Holding Company)	Key management person / Directors	Total
Mr. Satish Godbole	**-**	**-**	**6.50**	**6.50**
	(-)	(-)	(7.25)	(7.25)
Ms. Madhu Gadodia	**-**	**-**	**6.50**	**6.50**
	(-)	(-)	(7.25)	(7.25)
Mr. Mukesh Lulla	**-**	**-**	**3.00**	**3.00**
	(-)	(-)	(3.00)	(3.00)
Mr. Hung Yi Kao	**-**	**-**	**3.25**	**3.25**
	(-)	(-)	(1.25)	(1.25)
Dividend paid				
D-Link Holding Mauritius Inc.	**181.15**	**-**	**-**	**181.15**
	(271.72)	(-)	(-)	(271.72)
Mr. Mukesh Lulla	**-**	**-**	**27.55**	**27.55**
	(-)	(-)	(40.95)	(40.95)
Others	-	-	0.16	0.16
	(-)	(-)	(0.25)	(0.25)
As at the year end				
Amount due to				
D-Link International Pte. Ltd	**-**	**3,426.98**	**-**	**3,426.98**
	(-)	(2,383.68)	(-)	(2,383.68)
D-Link International (Singapore)	**-**	**-**	**-**	**-**
	(-)	(24.70)	(-)	(24.70)
D-Link Corporation	**143.92**	-	-	**143.92**
	(159.64)	(-)	(-)	(159.64)
Others	**-**	**0.41**	**-**	**0.41**
	(-)	(13.67)	(-)	(13.67)
Amount due from				
D-Link International Pte. Ltd	**-**	**-**	**-**	**-**
	(-)	(7.57)	(-)	(7.57)
D-Link International (Singapore)	**-**	**175.96**	**-**	**175.96**
	(-)	(194.36)	(-)	(194.36)
D-Link Middle East-FZCO	**-**	**0.05**	**-**	**0.05**
	(-)	**(-)**	**(-)**	**(-)**
Others	**-**	**2.87**	**-**	**2.87**
	(-)	(-)	(-)	(-)

Figures in brackets pertain to previous year.

Notes:

1. Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Group as a whole and long term incentive.
2. Terms and conditions of transactions with related parties

   The Group's international transactions with related parties where control exists are at arm's length as per the independent accountant's report for the year ended March 31, 2020. Management believes that the Group's international transactions with related parties where control exists post March 2020 continue to be at arm's length and that the transfer pricing legislation will not have an impact on the financial statements, particularly on the amount of the tax expense for the year and the amount of the provision for taxation at the year end.

42 Specified bank notes (SBN)

The disclosure regarding details of specified bank notes held and transacted during November 08, 2016 and December 30, 2016 has not been made since the requirement does not pertain to financial year ended March 31, 2021 and March 31, 2020.

43. Disclosure of additional information as required by the Schedule III

(Currency: ₹ in Lakhs)

Name of the Entity in the Group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As a % of consolidated assets	Amount (₹ in Lakhs)	As a % of consolidated profit or loss	Amount (₹ in Lakhs)	As a % of consolidated other com-prehensive income	Amount (₹ in Lakhs)	As a % of consolidated total com-prehensive income	Amount (₹ in Lakhs)
Parent								
D-Link (India) Limited	94.44%	25,149.77	93.53%	2932.19	-15.10%	0.29	93.60%	2,932.48
	(94.63%)	(22,572.33)	(96.78%	(3,408.19)	(50.44%)	(-7.99)	(96.99%)	(3,400.20)
Indian Subsidiary								
TeamF1 Networks India Private Limited	5.56%	1,480.11	6.46%	202.67	115.10%	(2.21)	6.40%	200.46
	(5.36%)	(1,279.65)	(3.22%)	(113.44)	(49.56%)	(-7.85)	(3.01%)	(105.59)
Non-controlling interest in subsidiary	0.00%	0.15	0.00%	0.03	0.00%	0.00	0.00%	0.03
	(0.00%)	(0.12)	(0.00%)	(0.01)	(0.00%)	(0.00)	(0.00%)	(0.01)
Total	**100.00%**	**26,630.03**	**100.00%**	**3,134.89**	**100.00%**	**(1.92)**	**100.00%**	**3,132.97**
	(100.00%)	**(23,852.10)**	**(100.00%)**	**(3,521.64)**	**(100.00%)**	**(15.84)**	**(100.00%)**	**(3,505.80)**

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W - 100022

Jayesh T Thakkar
Partner
Membership No. 113959

Mumbai, dated: May 29, 2021

For and on behalf of the Board of Directors of
D-Link (India) Limited
CIN: L72900GA2008PLC005775

Tushar Sighat
Managing Director & CEO
DIN No.: 06984518

Satish Godbole
Director
DIN No.: 02596364

Vinay Joshi
Chief Financial Officer
Membership No: 102223

Shrinivas Adikesar
Company Secretary
Membership No.: A20908

Mumbai, dated: May 29, 2021

D-Link®
Building Networks for People

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