

## FORM A

### FORMAT OF COVERING LETTER OF THE AUDIT REPORT TO BE FILED WITH THE STOCK EXCHANGES

1.	Name of the Company	LINAKS MICROELECTRONICS LIMITED
2.	Annual Financial Statement for the year ended	31 <sup>st</sup> March, 2018
3.	Type of observation	No qualification
4.	Frequency of observation	Whether appeared first time/repetitive/ since how long period  NIL
5.	To be signed by  CEO/Managing Director  CFO  Auditor of the Company  Audit Committee Chairman	ANIL KUMAR SINGH, M.D.    CA Jagdish Jaiswal  U.B. SINGH, DIRECTOR

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# *Annual Report*

2017-2018

**Linaks Microelectronics Limited**



LINAKS MICROELECTRONICS LTD.

(CIN: L32101UP1986PLC007841)

Regd. Office:

12.6 Km. Barabanki Road, Chinhath,

Lucknow-227 105.

#### BOARD OF DIRECTORS

Mr. Anil K Singh (DIN:00225518)	-Managing Director
Mr. Udayan Singh (DIN:00189219)	- Director
Mr. Gautam Singh (DIN: 00189284)	- Director
Mr. U.B. Singh (DIN: 06650869)	- Independent Director
Mrs. Meena Singh (DIN: 02775239)	- Director
Mr. Ram Chandra Gaur (DIN: 02317264)	Independent Director

#### AUDITORS

Jaiswal Singh & Co.  
(Chartered Accountants)

Secretarial Auditors

Divya Matah & Associates  
(Practicing Company Secretaries)

#### BANKERS

Vijaya Bank

#### SHARE HOLDERS' INFORMATION

#### SHARE TRANSFER ARRANGEMENT AND

#### DEMATERIALISATION STATUS OF SHARES

The Company appointed M/s Beetal Financial & Computer Services Pvt. Ltd. as RTA for Physical and Dematerialised shares of the Company. The shares of the Company are compulsorily traded in Dematerialised form w.e.f. 28.09.2000 under ISIN-INE028C01027 with NSDL & CDSL. The addresses of NSDL, CDSL & Beetal are given below:

1. National Securities Depository Ltd.  
Trade World, 4th Floor, Kamala Mills Compound,  
Senapati Bapat Marg,  
Lower Parel, Mumbai-400 013.
2. Central Depository Services (India) Ltd.  
Marathon Futurex, A-Wing, 25th Floor,  
N.M. Joshi Marg, Lower Parel,  
Mumbai - 400013
3. Beetal Financial & Computer Services (P) Ltd.  
Beetal House, 3rd Floor, 99 Madangir,  
Nr. Dada Harsukhadas Mandir,  
New Delhi-110 062.

#### STOCK EXCHANGE (WHERE COMPANY'S SHARES ARE LISTED)

The Stock Exchange Mumbai  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort, Mumbai-400 023.

**NOTICE TO THE MEMBERS**

Notice is hereby given that the Thirty Third Annual General Meeting of LINA KS MICROELECTRONICS LTD. will be held at the registered office of the Company at 12.6 km. Barabanki Road, Chinhat, Lucknow on Wednesday the 26<sup>th</sup> September, 2018 at 11:00 a.m. to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2018, the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Anil Kumar Singh (DIN: 00225518), who retires by rotation, and being eligible offers himself for reappointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under (including any statutory modification or re-enactment thereof, for the time being in force), the company hereby ratifies the appointment of M/s Jaiswal Singh & Co. (Firm Registration No. 011049C), Chartered Accountants, Kanpur, as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and THAT the Board of Directors of the Company be and is hereby authorized to fix their remuneration in consultation with the said Auditors."

**SPECIAL BUSINESS**

4. **Increase in remuneration of Mr. Anil Kumar Singh (DIN: 00225518) Managing Director**  
To consider and, if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to provisions of Sections 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act 2013, (including any statutory modifications or re-enactment(s) thereof, for the time being in force), and subject to such other consents and permission as may be necessary, consent/approval of the Company be and is hereby granted for the revision in the remuneration payable to Mr. Anil Kumar Singh (DIN: 00225518), Managing Director of the Company for a period of two (02) years with effect from 1<sup>st</sup> April, 2018 as per following details, as recommended by the Remuneration Committee in its meeting held on 02.04.2018 and approved by the Board of Directors at their meeting held on 11.04.2018:

- REMUNERATION:**  
Salary Rs. 1,20,000 (Rupees one lac twenty thousand only) per month.
- PERQUISITES:**
  - (i). Provision of car or reimbursement of expenses incurred on a car for use on Company's business.
  - (ii). Provision of telephone at residence for use on company's business will not be considered as a perquisite.
  - (iii). Privilege/Casual Leave: As per Rules of the Company.
- REMUNERATION IN THE EVENT OF LOSS OR INADEQUACY OF PROFITS** Where in any financial year, the Company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid, subject to applicable provisions of Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to alter, amend or vary the terms and conditions of appointment including remuneration structure as may be agreed to between the Board of Directors and Mr. Anil Kumar Singh subject to the limits within such guidelines or amendments as may be made to the Companies Act, 2013 or the Central Government or such other authority.

RESOLVED FURTHER THAT the Board/Committee of the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to above resolution."

5. **Reclassification of one of the shareholder of Promoter Group as Public shareholder**

To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED, in view of the requirement of Reg. 31(2) of SEBI (LODR) Regulations, 2015 for holding 100% of the promoters shares in dematerialized form and in view of Mr. Vikram Singh holding 83100 equity shares of Re.1/- each (0.906% of total promoters/promoters group holding and 0.479% of total equity share capital of the Company) belonging to Promoters Group opting out to be reclassified as public share holder, consent/approval of the Company be and is hereby accorded for reclassification of the Promoters/Promoters Group excluding the holding of Mr. Vikram Singh and that the Board of Directors of the Company be and is hereby authorised to submit necessary application to Stock Exchange, Mumbai or any other appropriate authority for seeking the above approval."

By Order of the Board.

Place: Lucknow  
Date: 10.08.2018

(Anil Kumar Singh)  
Managing Director  
DIN: 00225518

**NOTES**

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be effective must be received by the company not later than forty eight (48) hours before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.  
A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The Register of members and share transfer books shall remain closed from 20.09.2018 to 26.09.2018 (both days inclusive).
3. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
5. Relevant documents referred to in the Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.
6. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
7. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
8. The members are requested to get their shares dematerialized. The company's ISIN Code is INE028C01027.
9. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to Company's email ID linakspcb@yahoo.com or RTA's email ID beetalrta@gmail.com duly mentioning his/her Ledger Folio/Account Number.  
For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
10. (a) In accordance with the provision of Section 108 of the Companies Act, 2013 read with Companies (Management & Administration) Rules, 2014, the shareholders may exercise their option to participate through electronic voting system and the company is providing the facility for voting by electronic means (e-voting) to all its members. The company has engaged the services of National



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Securities Depository Limited (NSDL) to provide e-voting facilities and enabling the members to cast their vote in a secured manner. It may be noted that this e-voting facility is optional. This facility will be available at the URL: [www.evoting.nsdl.com](http://www.evoting.nsdl.com) during the following voting period:

Commencement of e-voting : **From 10.00 A.M. on 23.09.2018**  
End of e-voting : **Up to 05.00 P.M. on 25.09.2018**

E-voting shall not be allowed beyond **05.00 P.M. on 25.09.2018**. During the E-voting period, the shareholders of the company, holding shares either in physical form or dematerialized form, as on the closing of business hours of the cutoff date, may cast their vote electronically. The cut-off date for eligibility for e-voting is **19.09.2018**.

- (b) The company has engaged the services of M/s Beetal Financial & Computer Services (P) Ltd. our R&T Agent as the Authorized Agency to provide e-voting facilities.
- (c) The company has appointed Ms. Divya Matah, as 'scrutinizer' for conducting and scrutinizing the e-voting process in a fair and transparent manner.
- (d) The login ID and password for e-voting are being sent to the members, who have not registered their e-mail IDs with the company, along with physical copy of the notice. Those members who have registered their e-mail IDs with the company / their respective Depository Participants are being forwarded the login ID and password for e-voting by e-mail.
- (e) "Voting by electronic means" or "electronic voting system" means a 'secured system' based process of display of electronic ballots, recording of votes of the members and the number of votes polled in favour or against, such that the entire voting exercise by way of electronic means gets registered and counted in an electronic registry in the centralized server with adequate 'cyber security'. It also helps the shareholders to cast their vote from anywhere and at any time during E-voting period.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
12. Members holding shares in single name and in physical form are advised to make a nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialized form are advised to make a nomination through their Depository Participants. The nomination form can be downloaded from the Company's website : [www.linaks.com](http://www.linaks.com)
13. The relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.
14. Details of Directors seeking appointment/reappointment at this Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 on General Meetings] are as under:

Name of the Director	DIN	Date of Birth	Date of Appointment	Qualifications
1	2	3	4	5
Mr. Anil Kumar Singh	00225518	21.01.1949	11.04.1986	B.Tech., PGDBA
Experience in specific functional areas	Directorship in other Public Limited Companies	Membership of Committees in other Public Limited Companies (Includes only Audit & Investor Grievance Committee)	No. of shares held in the Company as on March 31, 2018	
5	6	7	8	
Forty Six Years	NIL	NIL	5425500	

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

#### Reg. Resol. No. 4:

Mr. Anil Kumar Singh, who is one of the promoter Directors and also the continuing Managing Director of the Company, was appointed/ reappointed by the Board at its meeting held on 31.03.2015 on the recommendation of the remuneration Committee, as Managing Director of the Company for a term of 05 years w.e.f. 01.04.2015. However, in view of escalation of cost of living, Mr. Anil Kumar Singh requested for revision of his remuneration. Accordingly,

## LINAKS MICROELECTRONICS LIMITED

the Remuneration Committee in its meeting held on 02.04.2018 and approved by the Board of Directors at their meeting held on 11.04.2018 revised the remuneration payable to Mr. Anil Kumar Singh, Managing Director for the remaining period of two (02) years with effect from 1<sup>st</sup> April, 2018 as per details contained in the resolution. Requisite details of Mr. Anil Kumar Singh are contained in Note No. 14 to this Notice.

The said revision in remuneration payable to Mr. Anil Kumar Singh require consent/approval of the shareholders by way of passing special resolutions. Hence this resolution.

Mr. Anil Kumar Singh and Mrs. Meena Singh, being relatives would be deemed concerned in this resolution.

#### Reg. Resol. No. 5:

Reg. 31(2) of SEBI (LODR) Regulations, 2015 require for holding 100% of the promoters shares in dematerialized form. However, Mr. Vikram Singh of Promoter group holding 83100 equity shares of Re.1/- each (0.906% of total promoters/promoters group holding and 0.479% of total equity share capital of the Company) has opted out to be reclassified as public share holder. Accordingly, consent/approval of the Company is required to authorise Board of Directors of the Company to submit necessary application to Stock Exchange, Mumbai or any other appropriate authority for seeking the above approval for reclassification of the Promoters/Promoters Group excluding the holding of Mr. Vikram Singh.

None of the Directors or their relatives, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise, in the proposed Resolution.

By Order of the Board.

Place: Lucknow  
Date : 10.08.2018

(Anil Kumar Singh)  
Managing Director  
DIN: 00225518

### DIRECTORS' REPORT

To,  
The Members,  
Linaks Micro Electronics Ltd.

Your Directors present their thirty third Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2018.

#### 1. FINANCIAL SUMMARY OF THE COMPANY

The summarized financial results of the Company are as under:

Particulars	2017-2018	2016-2017
Sales and other income	167.46	64.60
Profit Before Finance Cost and Depreciation	-41.03	-36.13
Finance Cost	2.36	1.16
Gross Profit	-43.39	-37.29
Provision for Depreciation	21.86	20.09
Profit before extraordinary items	-65.25	-57.38
Extraordinary items	13.03	0.00
Net Profit Before Tax	-52.22	-57.38
Provision for Tax	0.00	0.00
Net Profit After Tax	-52.22	-57.38
Balance of Profit brought forward	-2225.91	-2168.53
Balance available for appropriation	-2278.13	-2225.91
Proposed Dividend on Equity Shares	0.00	0.00
Tax on proposed Dividend	0.00	0.00
Transfer to General Reserve	0.00	0.00
Surplus carried to Balance Sheet	-2278.13	-2225.91

#### 2. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR

We adopted a two-pronged strategy to market our LED PCB's. The first being to focus on the MSME segment of LED Light manufacturers. The product approval to volume order cycle in this segment is quite short thereby giving a quick fillip to the sales. We entered this market through a single selling arrangement with a Delhi based entity. The reason that we did not directly interface with this segment was that the business

was spread over a base of a large number of small to medium volume buyers and handling them from Lucknow would have been counterproductive both in terms of service and recovery. This approach yielded fair results, and by the second half of the year, we were nearing our cash break-even level.

The second segment was tapping the OE market of large branded manufacturers. The approval to volume cycle in this segment takes almost 90 to 120 days, and we were able to get approval in this quality conscious segment from a few of the players. But the next step to convert approvals into volume orders got hampered because of working capital issues. Expected fund infusion from the real-estate group housing project tapered off because of the slow down in the real estate segment as our leave & licence joint developers have come under massive cash crunch. So our foray in this segment would have to wait till the liquidity issues get straightened out. As per our reckoning, it would start looking up from the latter half of Q2 in the coming year.

### 3. DIVIDEND & RESERVES

In view of losses during the year under review, no dividend pay-out is being recommended and accordingly no question of appropriation of reserves arise.

### 4. MATERIAL CHANGES AND COMMITMENT AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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 on the date of this report.

### 5. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy and technology absorption as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is as under:

- (i) Ongoing measures like Power factor improvement, use of new breed of low wattage high luminescence LED fittings etc. are being carried out.
- (ii) Since the Company does not have any R & D department or have carried R&D activities, the information in this regard is Nil. However, we do lot of reverse engineering to develop our own formulations and machine control circuits.
- (iii). There was no foreign exchange inflow during the year under review (previous year NIL). Expenditure of foreign exchange on account of purchase of raw material Rs. 28.44 Lacs (previous year equivalent to Rs. 31.27 lacs and on account of purchase of machinery/machinery parts/spares Nil (previous year Rs. 7.47 lacs and on account of travelling Rs. NIL (previous year Rs. NIL).

### 6. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the Company is still in the initial phases of its rehabilitation. However, the Company has introduced several improvements to Integrated Enterprise Risk Management, Internal Controls Management and Assurance Frameworks and processes to drive a common integrated view of risks, optimal risk mitigation responses and efficient management of internal control and assurance activities.

### 7. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

In view of losses, the Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

### 8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There was no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

### 9. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

### 10. STATUTORY AUDITORS

M/s Jaiswal Singh & Co. (Firm Registration No. 011049C), Chartered Accountants, Kanpur were appointed as Statutory Auditors for a block period of 05 years in the Annual General Meeting held on 28.09.2017. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if their appointment is ratified in the said AGM, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

### 11. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS

The points referred to by the Auditors in their report are self-explanatory and/or are covered in Note on Accounts.

### 12. SECRETARIAL AUDIT REPORT

In terms of Section 204 of the Act and Rules made there under, M/s. Divya Matah & Associates, Practicing Company Secretaries, Lucknow, have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as Annexure to this report. The report is self-explanatory and do not call for any further comments.

### 13. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

Since the Company is still in the process of rehabilitation, formal Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters would be taken care of in due course of time as provided under Section 178(3) of the Companies Act, 2013.

### 14. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure attached to this Report.

### 15. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had 05 Board meetings during the financial year under review.

### 16. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submit its responsibility Statement:

- (a) in the preparation of the annual accounts, 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 at the end of the financial year and of the profit and loss 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 this Act 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; and
- (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.
- (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.

### 17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

### 18. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

**19. DIRECTORS & KEY MANAGERIAL PERSONNEL**

During the period since last report Dr. Gautam Singh and Mr. Udayan Singh resigned from the Directorship of the Company, which was accepted by the Board w.e.f. 10.08.2018. Your Directors take this opportunity to place on record their deep appreciation for the valuable services and guidance rendered by Dr. Gautam Singh and Mr. Udayan Singh.

Further, Mr. Anil Kumar Singh is the person, who has been longest in the office since the last appointment of Directors and in terms of the provision of the Companies Act as determined by lot the term of his office is liable to retire by rotation at the forthcoming Annual General Meeting. However, he is eligible for his reappointment.

In view of losses no career cautious qualified person was available for being appointed as Chief Financial Officer and/or Company Secretary, in spite of best efforts of Directors.

**20. DECLARATION OF INDEPENDENT DIRECTORS**

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

An independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment for next five years on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

**21. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM**

The Audit Committee consists of the following members:

- a. Mr. Ram Chandra Gaur – Independent Director
- b. Mr. Uday Bhan Singh – Independent Director
- c. Mr. Anil Kumar Singh – Managing Director

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of employees and the Company.

**22. SHARES**

- a. **BUY BACK OF SECURITIES:** The Company has not bought back any of its securities during the year under review.
- b. **SWEAT EQUITY:** The Company has not issued any Sweat Equity Shares during the year under review.
- c. **BONUS SHARES:** No Bonus Shares were issued during the year under review.
- d. **EMPLOYEES STOCK OPTION PLAN:** The Company has not provided any Stock Option Scheme to the employees.

**23. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

**24. LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2017-2018 to BSE where the Company's Shares are listed.

**25. CORPORATE GOVERNANCE & MANAGEMENT DISCUSSION AND ANALYSIS**

Your Company has already implemented the requirement of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 i.e. Corporate Governance. As required a Management Discussion and Analysis Report and Directors' Report as well as Auditors' Certificate on Corporate Governance are given alongwith this report.

**26. INTERNAL AUDIT & DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

The Company has engaged M/s J.K. Sarawgi & Co., Chartered Accountants, Kanpur as its Internal Auditor. During the year, the Company

continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors' findings are discussed with the process in charge and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

The internal financial controls with reference to the financial statements are adequate commensurate to the size and nature of business of the Company.

**27. MANAGERIAL/EMPLOYEES REMUNERATION**

A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 cannot be worked out as the Company is still in the process of trans-locating its plant and the process of recruitment of staff has not yet completed. The skeletal staff with which the Company is presently working are mainly on part time basis.

B) As required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company did not have any employee drawing a remuneration of Rs. 60.00 lacs p.a., if employed throughout the year or Rs.5.00 lacs p.m., if employed for a part of the said year under review. Moreover, there was no employee, employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

C) None of the Managing Director or Whole-time Director of the Company was in receipt of any commission from the Company. Moreover, as the Company did not have any holding or subsidiary Company, the question of receiving commission by them from such Company also does not arise.

**28. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

As required under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up a Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

**29. HUMAN RESOURCES**

Your Company treats its "human resources" as one of its most important assets. Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

**30. ACKNOWLEDGEMENTS**

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Company's activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Anil Kumar Singh  
Managing Director  
(DIN: 00225518)

U.B. Singh  
Director  
(DIN: 06650869)

Date: 10.08.2018

Place: Lucknow



## LINAKS MICROELECTRONICS LIMITED

## DIRECTORS' REPORT ON CORPORATE GOVERNANCE

**Philosophy:**

Linaks upholds its standing at the forefront of Corporate Governance best practices. Linaks envisages the attainment of the highest levels of transparency, accountability and ethics, in all facets of its operations. It has been committed to the principles of transparency, integrity, accountability and responsibility. The Company takes feedback into account, on its periodic reviews of the guidelines, to ensure their continuing relevance, effectiveness and responsiveness to the needs of its investors. Linaks considers that all its operations and actions must serve the underlying goal of increasing employee and customer satisfaction and enhancing overall Shareholder value.

**Board of Directors:**

The Company has combination of executive and non-executive Directors with non-executive Directors constituting more than 50 per cent of the Board. As per the Listing Agreement, 'Independent' or Non-Executive Directors have been defined as directors who apart from receiving Directors remuneration do not have any other material pecuniary relationship or transactions with the Company, its promoters, its management or its subsidiaries, which in the judgement of the Board may affect independence of judgement of the Directors. Independent Directors play an important role in deliberations at the Board Meetings and the Company benefits from their expertise in achieving its strategic direction. The Directors bring to the Board a wide range of experience and skills. The Board is constituted as under:

Name	Category	No. of outside Directorships Held	As Chairman / Member of Board Committees
Mr. Anil K Singh	Managing Director	Nil	3
Mr. Udayan Singh	Director	Nil	1
Dr. Gautam Singh	Non-Executive Director	Nil	1
Mr. Udai Bhan Singh	Independent & Non-Executive Director	Nil	4
Mrs. Meena Singh	Director	Nil	1
Mr. Ram Chandra Gaur	Independent & Non-Executive Director	Nil	2

Note: (1) Private Limited Companies and Companies constituted under Section 8 of the Companies Act, 2013 are excluded for the above purpose. (2) Only Audit Committee, Investors' Grievance Committee, Remuneration Committee and Committee for Prevention of Sexual Harassment of Women at workplace are considered for the purpose of Committee positions as per listing Agreement.

**Responsibilities:**

The Board of Directors represent the interests of the Company's shareholders in optimising long-term value by providing the management with guidance and strategic direction on the Shareholder's behalf. The Board's mandate is to oversee the Company's strategic decision, review corporate performance, authorise and monitor strategic investments, ensure regulatory compliance and safeguard interests of Shareholders. Board members ensure that their other responsibilities do not impinge on their responsibility as a Director of Linaks.

**Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (LODR) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**Board Meetings:**

The Meetings of Directors are normally held in Lucknow. Meetings are generally scheduled well in advance and the Notice of each Board Meeting is given in writing to each Director. The Members of the Board have complete access to all information of the Company. Senior Management is invited to attend the Board Meetings so as to provide additional inputs to the items being discussed by the Board.

During the period under review, the Board of Linaks Microelectronics Ltd. met 06 times i.e. on 28.04.17, 29.05.17, 28.07.17, 13.11.17, 13.12.17 & 12.02.18. The gap between any two Meetings was generally around 3 calendar months.

Attendance of each Director at the Board Meetings & at last Annual General Meeting:

## LINAKS MICROELECTRONICS LIMITED

Name	No. of Board Meetings		Attendance at Last AGM
	Held	Attended	
Mr. Anil K Singh	6	5	Yes
Mr. Udayan Singh	6	3	NO
Dr. Gautam Singh	6	3	NO
Mr. U.B. Singh	6	6	Yes
Mrs. Meena Singh	6	5	Yes
Mr. Ram Chandra Gaur	6	4	NO

**Board Committees:**

To enable better and more focussed attention on the affairs of the Company, the Board delegates' particular matters to Committees of the Board set up for the purpose. These Committees prepare the groundwork for decision-making and report at the subsequent Board Meeting.

**Audit Committee:**

The Audit Committee consists of the following members:

- Mr. Ram Chandra Gaur – Independent Director
- Mr. Udai Bhan Singh – Independent Director
- Mr. Anil Kumar Singh – Managing Director

The Audit Committee reviews, acts and reports to the Board of Directors with respect to:

- various auditing and accounting matters,
- review of annual budgets,
- annual internal audit plan,
- compliance with legal and statutory requirements including accounting standards,
- review of investment guidelines,
- major accounting policies and practices.

The Audit Committee reviews the quarterly, half yearly and yearly financial results with the Management before being submitted to the Board for its consideration and approval. There has been 04 meetings of Audit Committee on 29.05.2017, 28.07.2017, 13.12.2017 and 12.02.2018.

**Nomination & Remuneration Committee:**

The Company's Nomination & Remuneration Committee consists of non-executive Directors namely, Mr. R.C. Gaur, Dr. Gautam Singh and Mr. Udai Bhan Singh. The salary of the Managing/Whole-time Directors is recommended by the Remuneration Committee and approved by the Board. No remuneration is paid to the Non-Executive Directors. No meeting of the Remuneration Committee was held during the period ended 31.03.2018.

The terms of reference of the Remuneration Committee include review and recommendation to the Board of Directors on compensation payable to the Executive Directors. The committee also ensures that the compensation policy of the Company provides for performance-oriented incentives to senior management and staff.

**Remuneration Policy:**

The Company has, on the recommendation of the Nomination & Remuneration Committee framed and adopted a policy for selection and appointment of Directors, Senior Management and their remuneration. This policy enables to attract and maintain talented and motivated executives so as to encourage enhanced performance of the Company. The remuneration policy envisages a clear relationship between performance and remuneration, including the remuneration paid and overall corporate performance.

**Remuneration paid to Directors:**

Managing/Whole-time Directors of the Company have been appointed on a contractual basis on the approval of the Shareholders. Remuneration package of Executive Directors is determined by the Remuneration Committee of Directors within the permissible limits under the applicable provisions of law and is approved by Shareholders. It comprises salary and other allowances, perquisites as approved by Shareholders. Non-Executive Directors have so far not been paid any remuneration/commission apart from sitting fees. Details of remuneration to Directors are as follows:

Director	Relation with Linaks	Sitting fees	Remuneration paid during 01.04.17-31.03.18		
			Salary & Perquisites	Commission	Total
Mr. Anil K Singh	Managing Director	NIL	9,60,000	NIL	9,60,000
Mr. Udayan Singh	Whole-time Director	NIL	4,80,000	NIL	4,80,000





## Annual Report 2017-2018

### Committee for prevention of Sexual Harassment of Women at workplace:

The Members of the Committee for prevention of Sexual Harassment of Women at workplace of the Company are Mrs. Meena Singh, Mr. A.K. Singh and Mr. U.B. Singh. The Committee is authorised to strictly implement Company's policy for prevention of Sexual Harassment of Women at workplace and take suitable disciplinary action against erring employee, if any. However, during the year Company has not received any complaint of harassment.

### Details on Annual General Meetings

Location, date and time, where last three AGMs held:

Year	Location	Date	Time
2016-17	12.6 km Barabanki Road, Chintah, Lucknow	28.09.2017	11.00 A.M.
2015-16	12.6 km Barabanki Road, Chintah, Lucknow	27.09.2016	11.00 A.M.
2014-15	12.6 km Barabanki Road, Chintah, Lucknow	30.09.2015	11.00 A.M.

Generally, all the resolutions in the AGM are passed through show of hands. None of the Special Resolutions passed at the above Annual General Meetings were required to be put to vote through Postal Ballot. However, as required the Company made necessary arrangements of e-voting with NSDL on the occasion of the Annual General Meeting held on 28.09.2017.

### Disclosure:

The Company entered into no transaction of material nature with the promoters, Directors, the management or their relatives that could have had a potential conflict with the interest of the Company. The Register of contracts containing the transactions in which the Directors are interested is regularly placed before the Board. There were no pecuniary transactions with the independent/non-executive Directors, other than payment for expenses/fee for attending Board Meetings.

### Means of Communication:

The financial results were published in the Hindustan Times in English and Hindustan or Sahara in Hindi, the vernacular newspaper. All material information about the Company is promptly uploaded online to the BSE's designated portal <http://listing.bseindia.com>, the Stock Exchange where the Company's Shares are listed and released for dissemination to the public at large.

### General Shareholders' Information:

Annual General Meeting: Date and Time Venue	September 26, 2018 at 11.00 a.m. 12.6 km. Barabanki Road, Chintah, Lucknow-227 105.
Financial Calendar: Results for the quarter ended on 30.06.18 Results for half year ending 30.09.18 Results for the quarter ending 31.12.18	On 10.08.2018 (Actual) Second week of November, 2018 (Tentative) Second week of February, 2019 (Tentative)
Results for the year ending 31.03.19	Last week of May, 2019 (Tentative)
Book closure Date	20.09.2018 to 26.09.2018 (both days inclusive)
Dividend payment Date	N.A.
Stock Exchange where the Company's shares are listed	Mumbai
Stock Code at BSE	517463
Demat ISIN Numbers in NSDL & CDSL for Equity Shares of Re.1/- each	INE028C01027

### Nomination Facility:

Individual Shareholders of physical shares can nominate any person for the shares held by them. This will save the nominee from going through the lengthy process of getting the shares lateron transmitted to his name. Members are requested to write to the Registrar & Share Transfer Agents to avail the facility.

### Depository Services:

For guidance on Depository services, Shareholders may write to the Registrar and Share Transfer Agent or National Securities Depository Limited, Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400013, email: [info@nsdl.co.in](mailto:info@nsdl.co.in), website: [www.nsdl.com](http://www.nsdl.com) or Central Depository Services (India) Limited, Marathon Futrex, A-Wing, 25th Floor, N.M. Joshi Marg, Lower Parel, Mumbai-400013, email: [investors@cdslindia.com](mailto:investors@cdslindia.com), website: [www.cdslindia.com](http://www.cdslindia.com).

### Unclaimed Dividends:

The Company has no unclaimed dividend.

## LINAKS MICROELECTRONICS LIMITED

### Market price data:

Month	Open Price	High price	Low Price	Close Price	No. of shares
Apr'17	0.57	0.63	0.57	0.63	23,474
May'17	0.6	0.61	0.55	0.59	78,365
June'17	0.57	0.61	0.55	0.55	35,834
July'17	0.55	0.55	0.55	0.55	2,749
Aug'17	0.53	0.53	0.42	0.46	34,425
Sept'17	0.44	0.48	0.44	0.46	3,629
Oct'17	0.46	0.46	0.42	0.46	2,441
Nov'17	0.48	0.48	0.44	0.44	10,000
Dec'17	0.44	0.46	0.42	0.44	3,10,665
Jan'18	0.46	0.5	0.46	0.5	3,346
Feb'18	0.5	0.5	0.5	0.5	3,599
Mar'18	0.57	0.63	0.57	0.63	23,474

### Share Transfer System:

As per the directions of SEBI, the Company has appointed M/s Beetal Financial & Computer Services (P) Ltd. as Common Agency for Share transfer, both in physical and demat form w.e.f. 01.04.2003.

The Registrar and Share Transfer Agents register share transfers in physical form within 15-20 days of the receipt of the completed documents. Invalid share transfers were returned within 15 days of receipt. All requests for dematerialisation of Shares were processed and confirmations were given to the respective Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Ltd. The company also offers transfer cum Demat facility, simultaneously.

### Registrar & Share Transfer Agent

M/s Beetal Financial & Computer Services (P) Ltd.

Beetal House, 3<sup>rd</sup> Floor, 99, Madangir,

Behind Local Shopping Centre,

Nr. Dada Harsukhdas Mandir,

New Delhi-110 062.

Ph: 011-29961281

E-mail: [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

Distribution Schedule as on March 31, 2018

Share holding of nominal Value of Re.1/- held	Shareholders		Total Shares	% to Total Shares
	Number	% of Total		
1-5000	4749	95.96	3377470	19.4832
5001-10000	101	2.04	729114	4.2059
10001-50000	67	1.36	1312714	7.5725
50001-100000	15	0.30	1169224	6.7448
100001 & above	17	0.34	10746778	61.9936
Total	4949	100.00	17335300	100.0000

Shareholding Pattern as on March 31, 2018

Category	Nos. of Shares	% of Holding
Promoters	9163656	52.86
Mutual Funds & UTI	203200	1.17
Banks, Financial Institutions, Insurance Companies, Govt. Cos. FIs	680000	3.92
Private Corporate Bodies	761259	4.40
OCBs & NRIs	468511	2.70
Venture Capital		
Indian Public	6058674	34.95
Total	17335300	100.00

### Dematerialisation of Shares & Liquidity:

The Company has entered into agreements with National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). As at March 31, 2018, 76.77 percent (13308760 Shares) of the Company's total shares were held in dematerialised form while 23.23 percent (4026540 Shares) were held in physical form.

Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date impact on Equity : N.A.

### Address for Correspondence:

Linaks Microelectronics Ltd. Phone : 0522-6549493

12.6 km. Barabanki Road,

Chintah, Lucknow-227 105.

Email: [linakspcb@yahoo.com](mailto:linakspcb@yahoo.com)

For & on behalf of the Board of Directors

Place: Lucknow

Date: 10.08.2018

(U.B. Singh)

Director

(Anil K Singh)

Managing Director



**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2018  
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

**I. REGISTRATION & OTHER DETAILS:**

1	CIN	L32101UP1986PLC007841
2	Registration Date	11.04.1986
3	Name of the Company	LINAIS MICRO ELECTRONICS LIMITED
4	Category/Sub-category of the Company	Company limited by shares/ Non-Government Company
5	Address of the Registered office & contact details	12.6 KM BARABANKI ROAD, CHINHAT LUCKNOW, UTTAR PRADESH INDIA - 227105
6	Whether listed company	Yes
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Beetal Financial & Computer Services (P) Ltd. Beetal House, 3 <sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre, Nr. Dada Harsukhdas Mandir, New Delhi-110 062.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Printed Circuit Board	32	100%

**III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year[As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/ HUF	8209856	937800	9147656	52.77	8488356	675300	9163656	52.86	0.09
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Total share holding of Promoter (A)</b>	8209856	937800	9147656	52.77	8488356	675300	9163656	52.86	0.09
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds	0	203200	203200	1.17	0	203200	203200	1.17	0
b) Banks / FI	0	680000	680000	3.92	0	680000	680000	3.92	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1)-</b>	0	883200	883200	5.09	0	883200	883200	5.09	0
<b>2. Non-Institutions</b>									
a) Bodies Corp.	365481	350800	716281	4.13	410459	350800	761259	4.40	0.27
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	3938453	1683240	5621693	32.43	4246702	1681640	5928342	34.20	1.77
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	409984	0	409984	2.37	0	0	0	0	-2.37
c) Others (specify) HUF	115349	0	115349	0.67	130332	0	130332	0.75	0.08
Non Resident Indians	5537	0	5537	0.03	32911	0	32911	0.19	0.16
Overseas Corporate Bodies	0	435600	435600	2.51	0	435600	435600	2.51	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies - D R	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2)-</b>	4834804	2469640	7304444	42.14	4820404	2468040	7288444	42.04	0.10
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	4834804	3352840	8187644	47.23	4834804	3352840	8171644	47.14	-0.09
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	13044660	4290640	17335300	100.00	13044660	4290640	17335300	100.00	0

## B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	ANIL KUMAR SINGH	5425500	31.30	0	5425500	31.30	0	0
2	RAJESH P SINGH	133300	0.77	0	133300	0.77	0	0
3	RAJENDRA KUMAR MEHRA	7800	0.04	0	7800	0.04	0	0
4	SIDDHARTH SINGH	74800	0.43	0	74800	0.43	0	0
5	HIMANSHU MOHAN SINGH	10800	0.06	0	10800	0.06	0	0
6	MEENA SINGH	1420880	8.20	0	1420880	8.20	0	0
7	UDAYAN SINGH	102700	0.59	0	102700	0.59	0	0
8	BHANU PRATAP SINGH	60000	0.35	0	60000	0.35	0	0
9	USHA KIREN	75000	0.43	0	75000	0.43	0	0
10	SHOBHA SINGH	80000	0.46	0	80000	0.46	0	0
11	VIKRAM SINGH	83100	0.48	0	83100	0.48	0	0
12	ATUL KUMAR SINGH	93000	0.54	0	93000	0.54	0	0
13	VIJAY SINGH	103000	0.59	0	103000	0.59	0	0
14	SARLA SINGH	130260	0.75	0	146260	0.84	0	0.09*
15	GAUTAM SINGH	132240	0.76	0	132240	0.76	0	0
16	HARSH SINGH	262500	1.52	0	262500	1.52	0	0
17	NAMITA SINGH	448300	2.59	0	448300	2.59	0	0
18	MANVI SINGH DEO	504476	2.91	0	504476	2.91	0	0
	<b>TOTAL</b>	<b>9147656</b>	<b>52.77</b>	<b>0</b>	<b>9163656</b>	<b>52.86</b>	<b>0</b>	<b>0.09</b>

\*Resulted due to PAN based consolidation at RTA level.

## C) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	<b>9147656</b>	<b>52.77</b>	<b>9163656</b>	<b>52.86</b>
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	Increase resulted due to PAN based consolidation at RTA level.		N.A.	N.A.
	At the end of the year	<b>9147656</b>	<b>52.77</b>	<b>9163656</b>	<b>52.86</b>

## D) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year*	2665480	15.38		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	various			
	At the end of the year			1130574	6.52

\*figures could not be ascertained.

## E) Shareholding of Directors and Key Managerial Personnel:

Sl. No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Share holding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	7081320	40.85		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year			7081320	40.85

## F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. in Hundreds)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	16412	0	16412
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	16412	0	16412
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	13102	0	13102
* Reduction	0	0	0	0
<b>Net Change</b>	0	13102	0	13102
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	29514	0	29514
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	29514	0	29514

**XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Rs. in Hundred)

SN.	Particulars of Remuneration	Name of MD/WT/ Manager				Total Amount
		Anil Kumar Singh	Udayan Singh	----	---	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9600	4800	-	-	14400
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	0	0	0	0	0
2	Stock Option	0	0	0	0	0
3	Sweat Equity	0	0	0	0	0
4	Commission - as % of profit - others, specify	0	0	0	0	0
5	Others, please specify	0	0	0	0	0
	<b>Total (A)</b>	9600	4800	0	0	14400
	<b>Ceiling as per the Act</b>	Minimum	Minimum	0	0	Minimum

B. Remuneration to other directors: **NIL****C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WT/**

NIL as the Company did not have any Key Managerial Personnel other than MD/WT/ during the year under review for the reasons mentioned in Directors' Report.

**PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

The Company was imposed a penalty of Rs.3.00 Lacs by SEBI for alleged non-disclosure of changes in shareholding (within promoters group during 2014, the period when the Company remained unlisted after reduction of Capital) to stock exchanges as required under regulation 13(6) of SEBI (Prohibition of Insider Trading) Regulations, 1992. The management decided to pay the penalty instead of preferring an appeal against the SEBI order dated 28.11.2017 as it considered preferring an appeal in higher courts would be an expensive process.

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2018

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

To,  
The Members,  
Linaks Micro Electronics Limited  
12.6 KM, Barabanki Road, Chinhat,  
Lucknow-227105

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Linaks Micro Electronics Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Linaks Micro Electronics Limited'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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Linaks Micro Electronics Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 and the Companies Act 1956 (to the extent applicable) (the Act) and the rules made thereunder except the following:
  - a) As explained to us by the management, no career cautious qualified person was available for being appointed as Chief Financial Officer and/or Company Secretary in view of heavy losses in the Company, in spite of best efforts of Directors. The Company is still in search of qualified persons for being appointed as CFO and/or Company Secretary.
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') 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, Overseas Direct Investment and External Commercial Borrowings;
  - (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, 1992;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;  
Not applicable to the company during the Audit Period
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;  
Not applicable to the company during the Audit Period
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - N.A.
- (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
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;  
Not applicable to the company during the Audit Period
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) The other laws as may be applicable specifically to the company are:
  1. The Air (Prevention and Control of Pollution) Act, 1981
  2. The Environment (Protection) Act, 1986
  3. Factories Act, 1948
  4. Industrial Disputes Act, 1947
  5. The Payment of Wages Act, 1936
  6. Maternity Benefit Act, 1961
  7. The Minimum Wages Act, 1948
  8. Employees' State Insurance Act, 1948
  9. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952
  10. The Payment of Bonus Act, 1965
  11. The Payment of Gratuity Act, 1972
  12. The Industrial Employment (Standing Order) Act, 1946
  13. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

- (i) Secretarial Standard on Meetings of the Board of Directors and General Meetings issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange;

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

In respect of other laws specifically applicable to the Company, we have relied on information/records produced by the company during the course of our audit and the reporting is limited to that extent.

**We 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. There is no change in the composition of the Board of Directors during the

period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**We 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.

**We further report that** during the audit period the company did not have any specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For Divya Matah & Associates

(DIVYA MATAH)  
Practicing Company Secretary  
C P No.: 11719

Place: Lucknow  
Date: 10.08.2018

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

#### 'ANNEXURE A'

To,  
The Members,  
Linaks Micro Electronics Limited  
12.6 KM, Barabanki Road, Chinhat,  
Lucknow-227105

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we 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. Our 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.

For Divya Matah & Associates

(DIVYA MATAH)  
Practicing Company Secretary  
C P No.: 11719

Place: Lucknow  
Date: 10.08.2018

#### LINAKS MICROELECTRONICS LIMITED

##### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

##### Industry structure & Development:

PCB industry consists of a handful of medium sized units and a number of small-scale units which are mostly independent i.e. they are not part of any large conglomerate excepting a couple of units.

The units were historically promoted by technocrat entrepreneurs who in the old days received bank finance easily to promote industrial growth. Most of these units were set up in mid 80's and some of them have ceased to operate.

The survivors are those, which from time to time have been investing in technology and capacity. Initially the units were manufacturing simple single sided and double sided PCBs, but now there are units like AT&S who are making PCBs with 24 layers, buried vias, 4 mil line and spaces, etc. In the area of single sided PCBs we have some units that are now manufacturing flexible circuits.

Still on the whole industry is small because the actual demand for PCBs for manufacturing various types of Electronic equipment is still not very large in India, largely due to screw-driver-kit-assembly nature of the Indian equipment industry.

**Opportunities & Threats:** The industry has a domestic market, which initially was driven by telecommunication, but thanks to the lopsided custom tariff structure telecom manufacturing has shallowed out resulting in steep decline in PCB demand. Although the telecom infrastructure has grown by leaps and bounds but the downstream electronic component demand has not seen any growth since all fresh demand for equipment has been met largely through imports. Thus, now the domestic requirement is dependent on diverse segments like automation, control, instrumentation, metering and automotive. Automotive electronics, though a massive growth engine, can be volatile as it is subject to global business swings in this connected world of automotive business with only a handful of players. The gradual easing of custom duties is happening on account of India being a signatory to ITA. But this threat is also an opportunity because it applies to the developed countries too who are still levying duty on Indian imports.

In fact India with a low cost technical manpower enjoys tremendous advantage as an export-manufacturing base and especially to the high cost developed countries of Europe and the US. The industry and moreover Linaks should leverage this advantage. The company is already working towards it as they have a clutch of regular and reliable customers in Europe and they are also in the process of developing new ones in Eastern Europe and Americas.

**Risks and Concerns:** The major risk the industry faces is of over dependence on one market segment and the industry in India, Linaks included has faced this prospect because many a times their fortunes have fluctuated with those of the telecommunication sector.

Then there is always the over riding concern of fast technological obsolescence, which entails constant drain on resources at times impeding ones capability to service one's customers.

**Overview:** On the whole the industry has a lot of promise provided one is able to keep up with the demands of the market place.

**Financial performance:** The financial performance is directly related to the company's ability to remain competitive.

**Resource & Liquidity:** Resource position would remain comfortable if the company is able to trade profitably and liquidity is the direct function of the above.

The company has not been able to meet its financial goals because due to extraneous circumstances it went into losses and the rehabilitation package drawn under BIFR has also been buffeted by the uncertainty of the market place.

**Outlook:** The outlook is positive as market-wise we do not see any major impediment in re-establishing ourselves. Our initial feelers in the PCB market and also to our old customers has met with encouraging results.

**Internal Control System:** Your Company's management continuously reviews the internal control system and procedures to ensure orderly and efficient conduct of business. Your Company adheres to its written corporate policies with respect to all transactions, financial reporting and budgeting to ensure that all assets are safeguarded and protected against loss from unauthorised use or disposition, and that transactions are authorised, recorded and reported correctly.

The Company regularly conducts internal audits either through external or internal resources to monitor the effectiveness of internal control in the organisation.

Audits are finalised and conducted based on internal risk assessment. Significant findings are brought to the notice of the Audit Committee of the



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Board and corrective measures recommended for implementation. Reports of the internal auditor are also regularly reviewed by the Management and corrective action initiated to strengthen the controls and enhance the effectiveness of the existing systems.

**Human Resources:** The Company gives full and fair consideration to all employees with regard to their particular aptitudes and abilities. Training, career development and promotion are, as far as practicable, considered for all employees according to their skills and abilities. The Company consistently seeks to recruit, develop and employ throughout the organisation suitably qualified, capable and experienced people, irrespective of race, religion or sex. All decisions relating to employment practices are objective, free from bias and based solely upon work criteria and individual merit.

Our development, performance and rewards system is linked to organisation performance. The Company strives to provide excellent staff welfare measures to promote employee satisfaction and thereby attract and retain efficient manpower. Training needs are regularly identified and imparted with the help of both internal trainers and external professional faculties of repute. We have built team driven organisation where all employees work together to create our future.

**Cautionary Statement:** The statement made in this Report describing the Company's projections, expectations and estimations may be a forward looking statement within the meaning of applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results may differ from those expressed or implied in this Report due to the influence of external and internal factors, which are beyond the control of the Company.

### For & on behalf of the Board of Directors

Place: Lucknow  
Date: 10.08.2018

(U.B. Singh)  
Director

(Anil K Singh)  
Managing Director

JAISWAL SINGH & CO.  
Chartered Accountants

17/19, Kurswan  
The Mall, Kanpur  
Ph: 8318228806

### AUDITORS' CERTIFICATE

To,  
The Members of  
Linaks Microelectronics Ltd.  
We have examined the compliance of conditions of Corporate Governance by Linaks Microelectronics Ltd. for the year ended on 31st March 2018, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulations') read with Listing Agreement of the said Company with the Stock Exchange(s) of India.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the Regulations.

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

For JAISWAL SINGH & Co.  
Chartered Accountant  
(F.R. No. 011049C)

Place: Lucknow  
Date: 10.08.2018

(CA. Jagdish Prasad Jaiswal)  
Partner  
M.No. 078449

## LINAKS MICROELECTRONICS LIMITED

JAISWAL SINGH & CO.,  
Chartered Accountants

17/19, Kurswan  
The Mall, Kanpur  
Ph: 8318228806

To The Members of  
LINAKS MICROELECTRONICS LTD.,

### REPORT ON FINANCIAL STATEMENT

We have audited the accompanying financial statements of LINAKS MICROELECTRONICS Limited, which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### MANAGEMENT RESPONSIBILITIES FOR THE FINANCIAL STATEMENT

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 133 of the Companies Act, 2013 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- in the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2018;
- in the case of the Statement of Profit and Loss, of the loss for the year ended on that date.
- in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT:

- As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure-A a statement on the matters specified in the Order.
- Further, to our comments referred to in paragraph (1) above, we refer note no. m(i) to (ii) of Notes to Accounts attached to and forming part of Balance Sheet.
- As required by Section 143(3) of the Act, we report that:
  - we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in Section 133 of the Companies Act, 2013;
  - on the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - with respect to adequacy of the internal financial controls over financial reporting of Company and the operating effectiveness of such controls, refer to our separate report in Annexure-B.

For JAISWAL SINGH & Co.  
Chartered Accountant  
(F.R. No. 011049C)

Place: Lucknow  
Date: 28.05.2018

(CA. Jagdish Prasad Jaiswal)  
Partner  
M.No. 078449



The Annexure-A referred to in our report to the members of Linaks

Microelectronics Ltd., for the year ended on 31.03.2018. We report that:

SNo.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets; b) whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account; c) whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	Yes Yes. No material Discrepancies were found. Yes
(ii)	whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	Yes
(iii)	whether the company has 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. If so, (a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	No loan is granted, NA
(b)	whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular; c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	NA NA
(iv)	in respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	NA
(v)	in case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	NA
(vi)	whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	NA
(vii)	(a) whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated; b) where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	YES As per Notes on Account point No. O.
(viii)	whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	NO
(ix)	whether moneys raised by way of initial public offer or further public offer (including debt instruments) and	NA

	term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	
(x)	whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	NO
(xi)	whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	YES
(xii)	whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	NA
(xiii)	whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	YES
(xiv)	whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	NA
(xv)	whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with	NO
(xvi)	whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	NO

For Jaiswalsingh & Co.,  
Chartered Accountants

Firm's registration number: 011049C

Place: LUCKNOW  
Date: 28.05.2018

CA JAGDISH PRASAD JAISWAL  
Partner  
Membership number: 078449

**"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT OF THE EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF LINAKS MICROELECTRONICS LIMITED ON THE FINANCIAL CONTROLS UNDER CLAUSE (i) OF SUB SECTION 3 OF SECTION 143 OF COMPANIES ACT 2013.**

**Section 143 of the Companies Act, 2013:**

We have audited the internal financial controls over financial reporting of **LINAKS MICROELECTRONICS LIMITED** as on March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls:**

The Company's management is responsible for establishing and maintaining internal financial controls based on, "The internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the **Institute of Chartered Accountants of India**". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility:**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we



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comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting:**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or

timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls Over Financial Reporting:**

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

**Opinion:**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as on March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For and on behalf of**  
**Jaiswal Singh & Co.**  
**Chartered Accountant**

**CA. Jagdish Prasad Jaiswal**  
**Partner**  
**Membership Number: 078449**  
**Place: Lucknow**  
**Date: 28.05.2018**

**Linaks Micro Electronics Ltd.**  
**12.6 K M Barabanki Road , Chinhath, Lucknow**  
**Balance Sheet as at 31.03.2018**

PARTICULARS	NOTE	As at 31, March 2018		(Rs. In Hundreds)	
		Rupees	Rupees	As at 31st March 2017	Rupees
<b>ASSETS</b>					
<b>Non Current Assets</b>					
a) Fixed Assets					
I) Tangible Assets	1	452910		470598	
II) Intangible Assets			452910		470598
<b>Current Assets</b>					
a) Inventories	2	45826		47250	
b) Trade Receivables	3	45299		21014	
c) Cash & Bank Balances	4	57615		108146	
d) Other current Assets	5	16463	165203	25161	201571
			<b>618113</b>	0	<b>672169</b>
<b>EQUITIES AND LIABILITIES</b>					
Share Holder's Funds					
a) Share Capital	6	495353		495353	
b) Reserves & Surplus	7	<b>-2278129</b>		-2225912	
			<b>-1782776</b>		<b>-1730559</b>
<b>(3) Non-Current Liabilities</b>					
(a) Long-term borrowings					
(b) Other Long term liabilities	8	2354412		2354412	
(c) Long term provisions	9	0		0	
			2354412		2354412
<b>Current Liabilities</b>					
a) Short Term Borrowings	10	29514		16412	
b) Trade Payable	11	13796		30067	
b) Other Current Liabilities	12	253		220	
c) Short Term provisions	13	2914	46477	1617	
			<b>618113</b>		<b>48316</b>
					<b>672169</b>

Significant Accounting Policies  
Notes on Financial Statements

Note: The Schedules referred to above form an integral part of the Balance Sheet.

As per our separate report of even date.

For. Jaiswal Singh & Co.,  
Chartered Accountants

For and on behalf of the Board of Directors

(CA Jagdish Prasad Jaiswal)  
PARTNER  
Date: 28.05.2018

(A.K.SINGH)  
Managing Director  
DIN : 00225518

(U.B. Singh)  
Director  
DIN : 06650869

**Linaks Micro Electronics Ltd**  
**12.6 K M Barabanki Road , Chinhat, Lucknow**

Statement of Profit and Loss for the period ending on 31.03.18		As at 31, March 2018		(Rs. In Hundreds) As at 31 March 2017	
		CURRENT YEAR		PREVIOUS YEAR	
PARTICULARS	NOTE	Rupees	Rupees	Rupees	Rupees
<b>Income</b>					
Revenue from operations	14		161997		57040
Other Income	15		4907		7563
Total Revenue(i+ii)			166904		64603
<b>Expenditure</b>					
Cost of material Consumed	16		86152		36509
Changes in Inventories of Finished goods and work in process	17		1829		-1731
Employee Benefit Expenses	18		41020		30974
Finance Costs	19		2362		1164
Depreciation and Amortisation Expenses	20		21857		20089
Other Expenses	21		78934		34983
<b>Total Expenses</b>			232154		121988
Profit before exceptional and extraordinary items and tax(iii-iv)			-65250		-57385
Exceptional Items			0		0
Profit before extraordinary items and tax (1 - 3)			-65250		-57385
Extraordinary Items - Account written off			13032		0
Profit before Tax			-52218		-57385
<b>Tax Expenses</b>					
Current Tax			0		0
Deferred Tax			0		0
Profit/ Loss for the period from continuing operations.(ix-x)			-52218		-57385
Profit/(loss) from discontinuing operations			0		0
Tax expenses of discontinuing operations			0		0
Profit/(loss) from discontinuing operations after tax (xi-xii)			0		0
Profit/(loss)for the period (xi+ xiv)			-52218		-57385
Earning per equity Share					
(i) Basic			-0.30		-0.33
(ii) Diluted			-0.30		-0.33

Significant Accounting Policies

Notes on Financial Statements

Note: The Schedules referred to above form an integral part of the Balance Sheet.

As per our seperate report of even date.

For. Jaiswal Singh & Co.,  
Chartered Accountants

For and on behalf of the Board of Directors

(CA Jagdiswh Prasad Jaiswal)  
PARTNER  
Date: 28.05.2018

(A.K.SINGH)  
Managing Director  
DIN : 00225518

(U.B. Singh)  
Director  
DIN : 06650869

Note 1 Disclosure pursuant to Note no. I (i), (ii), (iii), Note no. J (i),(ii); Note no. J and Note no. L of Part I of Schedule VI to the Companies Act, 1956

(Rs. In Hundreds )

Fixed Assets	Gross Block				Depreciation			Net Block			
	Balance as at March 2017	Additions/ (D)isposal	Acquired through business combination	Adjustments	Balance as at March 2018	Accumulated up to 31.03.2017	Depreciation charge for the year	Adjustment due to revaluation	Adjustment on disposals	Balance as at 31.03.2018	Balance as at 31.03.2018
Tangible Assets											
Buildings	445940				445940	182914	4643			187558	263025
car	17547				17547	2778	2084			4862	14769
Plant and Equipment	1644941	4170			1649111	1457095	14014			1471110	187846
Assets under lease					0					0	0
Furniture and Fixtures	14752				14752	13977	4			13981	775
Assets under lease					0					0	0
Vehicles					0					0	0
Assets under lease					0					0	0
Office equipment	38181				38181	34802	850			35652	3379
Assets under lease										0	0
Others (specify nature)	825				825	22	261			283	804
computers										0	0
Total	2162186	4170	0	0	2166356	1691589	21857	0		1713446	470598
											452910

Note : Depreciation Has been provided on Straight Line Method as per rate prescribed under the Companies Act, 2013.

**LINAKS MICROELECTRONICS LIMITED**  
12.6 K M Barabanki Road , Chinhat, Lucknow.

				(Rs. In Hundreds)	
Note 2	Inventories	As at 31st March 2018		As at 31st March 2017	
	a. Raw Materials and components (Valued at Landed cost)	23467		23062	
		23467		23062	
	b. Work-in-progress (Valued at Input plus cost of conversion charges)	0		1977	
		0		1977	
	c. Finished goods (Valued at Cost or net realisable value)	148		0	
	d. Stock-in-trade (Valued at _____)	0		0	
	e. Stores and spares (Valued at _____)	0		0	
	f. Loose Tools (Valued at _____)				
	g. Others (Specify nature)				
	Land (valued at cost)	22211		22211	
		22211		22211	
Total		45826.00	458	47250.00	473
Note 3	Trade reeivables				
	a. Short term trade receivables Secured, considered good Unsecured, considered good		45299.00	453	21014
	Doubtful				
	Less: Provision for doubtful debts	0	0		
		45299.00	453	21014	
Note 4	Cash & Cash Equivalents under current assets				
	Cash in hand	5276	3774		
	Bank Accounts	1483	3647		
	FDR With Bank	50856	100725		
		57615	108146		
Note 5	Current Assets other current assets				
	Security Deposits	1000	1350		
	PLA Advance		2088		
	Storers and Spares	9685	15540		
	Vat On Capital goods		2488		
	Loans & Advances	266	1320		
	Pre Paid Expenses	640	696		
	G S T	2119	0		
	T D S	359	1679		
		16463	25161		
PARTICULARS		As at 31, March 2018	As at 31, Mar, 2018		
		Numbers	Numbers		
Note 6	Share Capital				
	Authorised				
	Optionally Convertible				
	Preference Share of Rs.10/-each	4000000	400000	4000000	400000
	Equity Shares of Re. 1/- each (prev.yr Re. 1/- each)	50000000	500000	50000000	500000
	<b>Issued, subscribed &amp; Paid up</b>				
	Optionally Convertible Preference Share of Rs.10/-each	3220000	322000	3220000	322000
	Equity Shares of Rs.1/- each (prev.yr Re. 1/- each)	17335300	173353	17335300	173353
		20555300	495353	20555300	495353
6.1	Particulars of shareholders holding more than 5% of the total equity share capital				
	S.N	Name of the Holder	No. of shares held	% to total paid up capital	No. of shares held
	A. ANIL KUMAR SINGH		5425500	31.30%	5425500
	B. MEENA SINGH		1420880	8.20%	1420880
Note 6.1	A. Statement of changes in equity				
	Balance at the beginning of the reporting period	173353	Changes in the equity during the year.	0	Balance at the end of the year
					173353
	<b>B. Other Equity</b>				
	There has been no change in the other equity				
	C. Preference Share				
	Balance at the beginning of the reporting period	322000	Changes in the equity durint the year.	0	Balanceat the end of the year
					322000

Note 7		As at		As at		Linaks Micro Electronics Ltd		(Rs. In hundreds)	
		31st March 2017	31st March 2018	12.6 K M Barabanki Road , Chinhat, Lucknow				As at	As at
				Note No.	PARTICULARS	31, March 2018	31 March 2017		
<b>Reserves &amp; Surplus</b>									
a. Capital Reserves									
Opening Balance		310490	310490						
(+/-) Current Year Transfer				14	Revenue from operations	161997	57040		
(-) Written Back in Current Year			0						
Closing Balance		310490	310490			161997	57040		
b. Securities Premium Account					<b>Other Income</b>				
Opening Balance		192771	192771	15	Interest Received	4907	7563		
Add : Securities premium credited on Share issue						4907	7563		
Less : Premium Utilised for various reasons									
Premium on Redemption of Debentures				16	Cost of material Consumed	Consumption	Consumption		
For Issuing Bonus Shares					Opening Stoc	23062	6930		
Closing Balance		192771	192771		Purchases	86557	52641		
						1096	596		
c. Surplus					Less Consumed	86152	36509		
Opening balance		-2729172	-2671788		Closing Bal	-85056	-359		
(+/-) Net Profit/(Net Loss) For the current year		-52218	-57385						
(+/-) Transfer from Reserves				17	Changes in Inventories of Finished goods,				
(-) Proposed Dividends					Stock in trade and Stock in Process				
(-) Interim Dividends					Opening Bal.				
(-) retained earning		0			WIP	1977	246		
(-) Transfer to Reserves-Reduction in		0			Finished Goods				
Share Capital					Total WIP+FinishedGoods	1977	246		
Closing Balance		-2781390	-2729173		Closing Bal.I				
<b>Total</b>		-2278129	-2225912		WIP		1977		
					Finished Goods	148	0		
						148	1977		
					Change in Inventory	1829	-1731		
<b>Note 8</b>									
<b>Other Long Term Liabilities</b>		As at	As at						
		30 March 2018	31st March 2017						
(b) Others		2354412.00	<b>2354412.00</b>	18	Employee Benefit Expenses				
Total		2354412.00	2354412.00		Employee benefit expense				
<b>Note 9</b>					Salary To Director	14400	12000		
<b>Long Term Provisions</b>		As at	As at		Employer cont. FPF	1036	824		
		30 March 2018	31st March 2017		Employer cont. ESI	568	476		
(a) Provision for employee benefits					Employer cont. PF	587	498		
Superannuation (unfunded)					Salary & Wages	23682	16655		
Gratuity (unfunded)					Staff welfare exp	747	521		
Leave Encashment (unfunded)				19		41020	310		
ESOP / ESOS					Finance Costs				
(b) Others (Specify nature)					Interest	2362	1164		
Duty & taxes					Total Fin. Cost	2362	1164		
Total		0.00	0	20	Depreciation and Amortisation Expenses				
<b>Note 10</b>					Depreciation	21857	20089		
<b>Short Term Borrowings</b>		As at	As at	21	Other Expenses	21857	20089		
		30 March 2018	31st March 2017		Audit Fee	300	345		
Unsecured					Bank Charges	688	361		
(a) Loans repayable on demand		29098.00	<b>15942</b>		Advertisement Exp.	1097	926		
from banks vijaya bank					Conveyance Expenses	1452	908		
from other parties - Director		416.00	<b>470.00</b>		Courier Expenses	96	99		
(of the above, '____' is guaranteed by					Diesel Expenses	1598	1013		
Directors and / or others)					Packing expenses	86	51		
(b) Loans and advances from related parties		<b>0.00</b>	<b>0.00</b>		Insurance Charges	867	894		
(of the above, '____' is guaranteed by					internet	64	77		
Directors and / or others)					Journal Books & Periodicals	0	76		
		29514.00	16412.00		Legal Expenses		132		
<b>Note 11</b>					Freight & cartage	13276	1029		
(a) Trade Payables		13796.00	30067.00		Mise Expenses	643	623		
		<b>13796.00</b>	<b>30067.00</b>		Postage & Telephone Exp.	546	55		
<b>Note 12</b>					Printing & Stationery	794	1197		
<b>Other Current Liabilities *</b>		As at	As at		incentive	1372	0		
		30 March 2018	31st March 2017		Repairs & Maintenance	14749	5164		
TDS Payable		253	<b>220</b>		Licence Charges	175			
Total		253	220		registration & renewal fees	162			
<b>Note 13</b>					watch & wards	2986			
<b>Short Term Provisions</b>		As at	As at		Professional charges	3462	2229		
		30 March 2018	31st March 2017		Sebi & share Depsitory Exp	6303	3190		
Salary & Reimbursements		2617			Insurance car	113			
P F Payable		236	<b>1617</b>		Rent Factory	1964	1782		
ESI Payable		61			vech. Running & maintenana	1897	1783		
Total		2914	1617		Round Off	-2	2		
					Rate & taxes	50			
					Internal Audifees	300	345		
					Electric Expenses	10360	8224		
					Telephone Expenses	210	556		
					Travelling Expenses	13326	3187		
					Subscription& Membership Fees		231		
					<b>TOTAL</b>	<b>78934</b>	<b>34983</b>		



## Annual Report 2017-2018

## LINAKS MICROELECTRONICS LIMITED

## CASH FLOW STATEMENT FOR 2017-2018

## A. CASH FLOW OPERATING ACTIVITIES:

	As at 31.03.18 (Rs. In Hundreds)	As at 31.3.17 (Rs. In Hundreds)
Net profit before tax and extraordinary Items	-67795	-63784
<b>Items Adjustment for:</b>		
1. Depreciation	21857	20089
2 Asstes writton off		0
2. Foreign Exchange		
3. Investments		
4. Interest/Dividend	-2362	-1164
Operating profit before working capital	-48300	-44859
Change adjustment for:		
1. Trade and other receivables	-15587	-22388
2. Inventories	1424	-18440
3. Tradeand other payables	-14939	2653
Cash generated from operations	-77402	-83034
Interest Received	4907	7563
Direct taxes paid	-72495	-75471
<b>CASH FLOW BEFORE EXTRAORDINARY ITEM:</b>		
1. Extra ordinary items( creditors written off)	13032	0
Decrease in Share capital		
Increase in reserves		
2.Expenses pertaining to previous year		
2. Net Cash from operating activities	-59463	-75471
<b>B. CASH FROM INVESTMENT ACTIVITIES</b>		
Purchase of fixed assets	-4170	-27736
Net Cash used in investing activities		
Total	-63633	-103207
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Unsecured Loans		50500
Repayment of finance/lease liabilities		0
Increase in Cash credit borrowings	13102	16239
Waiver of loans		
payment of unsecured Loans		
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	13102	66739
Net increase in cash and cash equivalent	-50531	-36468.00
Cash and cash Equivalents as at-1.04.17 (Opening Balance)	108146	144614
Cash and cash Equivalents as at 31.03.14		0.00
Closing Balance	57615	108146

PLACE : Lucknow U.B. Singh ANIL K. SINGH  
Date : 28.05.2018 DIRECTOR Managing Director

## AUDITORS' REPORT

We have checked the attached cash flow statement of Linaks Microelectronics Ltd. for the year ended March 31, 2018 from the books & records maintained by the company in the ordinary course of business and have found in accordance therewith.

For Jaiswal Singh & CO.  
(Chartered Accountant)

(Jagdish Jaiswal)  
(Partner)  
Place: Lucknow  
Date : 28.05.2018

## NOTES ON ACCOUNTS

## Significant Accounting Policies

- BASIS OF ACCOUNTING:**  
The Financial Statements are prepared under historical cost convention on an accrual basis and are in accordance with the requirements of the Companies Act, 2013.
- FIXED ASSETS:**  
Fixed Assets are stated at cost of acquisition less accumulated depreciation. Building is constructed on rented land.
- DEPRECIATION:**  
Depreciation on Fixed Assets is provided as per the Straight Line Method and at the rates and in the manner specified in the Companies Act, 2013. Necessary adjustments required as per the Companies Act, 2013 has been made in the Fixed assets.
- RETIREMENT BENEFITS:**  
The Company's contribution in respect of Provident Fund and ESI is charged against revenue every year. In respect of Gratuity, no provision is made. It will be paid as and when arise.
- INVENTORIES:**
  - Raw Material, stores and spares are valued at cost or net realisable value, which ever is lower.

- Work in progress is valued at the cost of inputs plus part of conversion charges as applicable.
- Finished Goods are valued at lower of cost or net realisable value. Excise duty on finished goods at factory is accounted for as and when the materials are cleared.

## f. FOREIGN EXCHANGE TRANSACTIONS:

There is no foreign currency income during the year.

There are following foreign currency expenditure/ out go during the year @Rs. In Hundreds)

Purchase of Machine,	Rs. Nil	(prev. Year Rs 7470 )
Machine parts & Spares ;		
Purchase of Raw Material	Rs. 28440	(Prev. Year Rs.31270 )
Travelling	Rs. Nil	(Pre. Year Rs Nil lac)

## g. Sales

- Sales exclude Excise Duty Wherever applicable.

- Debit note received from parties for rejection of goods are accounted for after these rejected goods are declared to be beyond rectification.

## NOTES ON ACCOUNTS

## h. TAXATION:

Company is currently operating under the approved rehabilitation scheme. No provision for Deferred Tax Liability is made.

## i. EARNING PER SHARE

(a) Calculation of Weighted Average:

	2017-2018	2016-17
Number of Equity Shares at the beginning of the year	17335300	17335300
Number of Equity shares outstanding at the end of year	17335300	17335300
(b) Weighted Average no. of equity shares Outstanding during the year	17335300	1733530
Net Loss during the year (Rs. in lacs)	-5222	-5738
<b>Earning/loss per share ( in Rs.)</b>	<b>0.30</b>	<b>-0.33</b>

## j. Segment Information:

The company has only one product- Printed Circuit Board.

## k. Related Party Disclosure

1. Other related Parties with whom transactions have taken place – Nil

2. Directors.

Shri Anil Kumar Singh	Managing Director
Shri Udayan Singh,	Whole time Director
Dr. Gautam Singh	
Shri U B Singh	
Shri R. C. Gaur	
Smt Meena Singh	

Managing director has been paid a remuneration of Rs.960000.00 and Shri Udayan Singh is paid a remuneration of Rs. 480000.00.

## l. LIQUIDATED DAMAGES:

Liquidated Damages on late deliveries are accounted for only when they are finally not recoverable inspite of Company's best efforts.

ii) Necessary adjustment has been made to show the Fixed Assets as per AS10.

## m. CONTINGENT LIABILITIES:

- Estimated amount of contracts remaining to be executed on Capital Account NIL. (Previous year NIL)
- Outstanding Letters of Credit Rs. NIL (Previous year Rs. NIL)
- Outstation Cheques purchased by bank but not cleared till the date of Balance Sheet Rs. Nil (Previous Year Rs. Nil ).
- Disputed demand for Rs.63350 (in Hundred) (Previous Year 63350(Rs in Hundred)excluding Interest, for Sales Tax, is in appeal and pending before different authorities.
- Company has given its land to Syndicate Bank as corporate guarantee against a loan of Rs. 30 crore.
- Dues towards SSIs for Rs 1 lac or more outstanding for more than 30 days are not ascertainable as the suppliers have not furnished their SSI registrations.

- Details of litigated Sales Tax assessments under appeal and finalisation  
(Rs. In Hundredes)

Serial Number	Financial Year	Provincial Disputed Amount	Central Disputed Amount
1	1993-94	Nil	Rs 1,52,6
2	1994-95	Rs 1,420	Rs 75,4
4	1996-97	Rs 3,82,6	Rs 1,01,6
5	1997-98	Rs 4,57,6	Rs 4,94,3
6	1999-00	Rs 92,0	Rs 87,6
7	2000-01	Rs 4,820	Rs 7,81,4
8	2001-02	Rs 92,2	Rs 8,8
9	2002-03	Nil	Rs 2,84,9



## Annual Report 2017-2018

## LINAKS MICROELECTRONICS LIMITED

r. EXPENSES AND EARNING		2017-18	2016-17
a) Values of Direct Imports (CIF)		Rs. in 00	Rs. in 00
Raw Material		28440	31270
Machinery, Machine Parts (including advance paid)		Rs. Nil	Rs. 7470
b) Expenditure in Foreign Currency			Nil
Travelling Expenses		Nil	NIL
Other matters			
c) Earnings in Foreign exchanges (FOB)		Nil	Nil
Export			
s. (a) CONSUMPTION OF RAW MATERIAL	2017-18	2016-17	
	Qty	Qty	Rs.in
		Hundreds	Hundred
(i) Copper clad Laminates	1810 sq. Mtrs.	2935 1485 sq.	2153
(ii) Other inputs	Lots	725 lot	623
(b) RAW MATERIALS IMPORTED & INDIGENOUS	2017-18	2016-17	
	Rs. in Hundreds	(Rs.in Hundreds)	
Importe	28440	31270	
Indigenous	57710	5230	
t. (a) OPENING & CLOSING STOCK OF FINISHED GOODS	2017-18	2016-17	
	Qty. (Nos.)	Qty. (sqm)	Rs. in (in 000)
Opening Stock	Nil	Nil	Nil
Closing Stock	15	2150	Nil
(b) SALES		162000	57040

### Printed Circuit Boards

u. DETAILS OF LICENSED & INSTALLED CAPACITIES AND PRODUCTION				
			(In Sq Mtrs)	
	Installed Capacities	Licensed Capacities		
	2017-18	2016-17	2017-18	2016-17
(i) Installed Capacity				
Single Sided Glass Epoxy	5000	5000	5000	5000
PCB				
Single Sided paper ACCL (pierced and blanked)	10000	10000	10000	10000
(ii) Actual Production				
Printed Circuit Boards			4206 sq.m.	1365 Sq.m.

v. PARTICULARS OF RENUMERATION OF DIRECTORS		2017-18	2016-17
Salary (Rs. In Hundred)		14400	12000
No other perquisites given to Directors			
w. EXPENDITURE INCURRED ON EMPLOYEES			
(a) Employed throughout the year and drawing Rs.60,00,000 or more		Nil	Nil
(b) Employed for the part of year and drawing Rs.5,00,000 or more		Nil	Nil
x. PAYMENTS MADE TO AUDITORS			
Audit fee		300	300
GST		0.00	54
y. Previous year figures have been regrouped and rearranged where ever required to make it comparable with current period's figures.			

For Jaiswal Singh & Co.  
Chartered Accountants

Jagdish jaiswal (U.B. Singh) (Anil K. Singh)  
Partner Director Managing Director  
M.No. 078449  
FRN No. 011049C  
Place: Lucknow  
Date : 28.05.2018

### LINAKS MICROELECTRONICS LIMITED VOTING INSTRUCTIONS ANNEXED TO AND FORMING PART OF AGM NOTICE

#### Voting Options

- (1) Voting through Electronic Means  
Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
- A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company / Depository Participants(s)]:
- (i) Open email and open PDF file viz: "Linaks Microelectronics Limited e-Voting.pdf" with your Client ID or Folio No. as password.  
The said PDF file contains your user ID and password / PIN for e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com>
- (iii) Click on Shareholder - Login

- (iv) Put user ID and password as initial password / PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digits / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of Linaks Microelectronics Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF /JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [linakspcb@yahoo.com](mailto:linakspcb@yahoo.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- B. In case a Member receives physical copy of the Notice of AGM and Attendance Slip [for members whose email IDs are not registered with the Company / Depository Participants(s)] or requesting physical copy:
- (i) Initial password is provided at the bottom of the Attendance Slip for the AGM: EVEN (E-voting Event Number) USER ID PASSWORD/PIN.
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) Above, to cast vote.
- (2) Voting at AGM: The members who have not cast their vote by remote e-voting can exercise their voting rights at the AGM. The Company will make arrangements of ballot papers in this regards at the AGM Venue.

#### OTHER INSTRUCTIONS

- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- II. If you are already registered with NSDL for e-voting then you can use your existing user ID and password /PIN for casting your vote.
- III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IV. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Wednesday, 19th September, 2018, are entitled to vote on the Resolutions set forth in this Notice.
- V. The remote e-voting period will commence at 10.00 a.m. on Sunday, 23rd September, 2018 and will end at 5.00 p.m. on Tuesday, 25th September, 2018. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th September, 2018, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19th September, 2018.
- VII. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 19th September, 2018 may obtain the login ID and password by sending an email to [linakspcb@yahoo.com](mailto:linakspcb@yahoo.com) or [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) by mentioning their Folio No./DP ID and Client ID No. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
- VIII. A member may participate in the meeting even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the meeting.
- IX. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the meeting through ballot papers.
- X. Ms. Divya Matah, Practicing Company Secretary of Divya Matah & Associates has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner.
- XI. The Scrutiniser shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutiniser shall within 3 days of conclusion of the meeting submit a consolidated scrutiniser report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing.
- XII. The results along with the Scrutinisers Report shall be placed on the website of the Company and on the website of NSDL and shall be communicated to BSE Limited.

By Order of the Board.

Place: Lucknow  
Date : 10.08.2018

(Anil Kumar Singh)  
Managing Director  
DIN: 00225518





Annual Report 2017-2018

LINAIS MICROELECTRONICS LIMITED

**LINAIS MICROELECTRONICS LTD**Regd.Off: 12.6 km Barabanki Road,  
Chinhat, Lucknow-227105

CIN: L32101UP1986PLC007841

**33<sup>rd</sup> Annual General Meeting****ATTENDANCE SLIP**

--

I hereby record my presence at the 33<sup>rd</sup> Annual General Meeting of the Linaks Micro Electornics Ltd. , 12.6 KM Barabanki Road, Chinhat, Lucknow, on Wednesday, the 26<sup>th</sup> September, 2018.

Member's Folio/DP ID-Client ID No ..... Member's/Proxy's name in Block Letters ..... Member's/Proxy's Signature .....

ELECTRONIC VOTING PARTICULARS		
Electronic Voting Event Number (EVEN)	User ID	Password

Note:

- Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.

\*\*\*\*\*

**Form No. MGT-11**  
**Proxy form**

**[Pursuant to Sec. 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

Name of the Member(s)		
Registered Address		
E-mail Id	Folio No /Client ID	DP ID*

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company. Hereby appoint

1. Name : ..... Address : ..... Signature: ..... or failing him;  
E-mail Id : .....  
2. Name : ..... Address : ..... Signature: ..... or failing him;  
E-mail Id : .....  
3. Name : ..... Address : ..... Signature: ..... or failing him;  
E-mail Id : .....

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33<sup>rd</sup> Annual General Meeting of the company, to be held on the 26<sup>th</sup> day of September, 2018 at 11.00 a.m. at Lucknow and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

Sl. No.	Resolution(S)	Vote	
		For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year ended 31st March, 2018		
2.	Re-appointment of Mr. Anil Kumar Singh as Director		
3.	Appointment of M/s Jaiswal Singh & Co., Chartered Accountants as Statutory Auditors & fixing their remuneration		
4.	Approval of increase in remuneration of Shri Anil Kumar Singh, Managing Director for a period of 02 years w.e.f. 01.04.2018.		
5.	Reclassification of one of the share holders of promoter group as public share holder.		

\* Applicable for investors holding shares in Electronic form.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

Affix  
Revenue  
Stamps

Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder  
across Revenue Stamp

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- The proxy need not be a member of the company.
- The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.



**BEETAL FINANCIAL & COMPUTER SERVICES (P) LTD.**  
(SEBI approved category I Registrar & Share Transfer Agents SEBI Reg. No.: INR 000000262)  
CIN: U67120DL1993PTC052486

Regd & Admn. Office: BEETAL HOUSE, 3<sup>rd</sup> Floor, 99 Madangir  
Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110062  
Phone: 011-29961281, 29961282, Fax: 011-29961284 Web Site: www.beetalfinancial.com, Email: beetalrta@gmail.com

Ref : BTL/SL/«FOLIONO»/«MAILNO»

Date: 10.08.2018

Foliono -

Company : LINA克斯 MICROELECTRONICS LIMITED

Re.: Seeking copy of PAN CARD and Bank Details

Dear Sir/Madam,

This is with reference to the SEBI bearing circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated: 20<sup>th</sup> April, 2018, wherein the company is required to obtain the copy of Pan Card and Bank details from all shareholders holding shares of the Company in physical form. As per our record your Pan and Bank details are not updated in our records.

We request you to kindly furnish a self attested copy of your Pan Card and a Cancelled Cheque, along with a duly filled in Form appended as Annexure-A to this letter, as the same is required as per SEBI circular mentioned above.

You are requested to send the desired details/documents to the Company's Registrar & Share Transfer Agent (RTA), M/s. Beetal Financial & Computer Services (P) Ltd at Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi- 110062.

You may kindly note that in case we do not receive any response from your side, any future transactions in your shares like transfer, transmission, issue of duplicate share certificates etc., shall be subject to enhanced due diligence by the Company. Therefore you are advised to furnish your Pan and Bank details within 21 days from this letter.

Further, the Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/ documents can be made by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned DP. Members who hold shares in physical form are requested to provide their email ID in the form appended below.

**Further it may be noted that as per SEBI notification dated 08.06.2018 transfer of physical securities will not effected w.e.f 05.12.2018. So you are requested to dematerialise your shares.**

Thanking you,  
Yours faithfully,  
for BEETAL Financial & Computer Services Pvt Ltd.  
(Registrar & Transfer Agent)

Punit Mittal  
General Manager

Encl. : As above.

This is a computer generated letter and does not require signature.

Annexure-A

Ref : BTL/SL/«FOLIONO»/«MAILNO»

Dear Sir

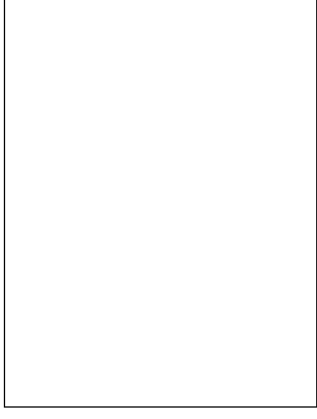
I am furnishing herewith details as required by you, Kindly record the same.

Company	LINA克斯 MICROELECTRONICS LIMITED		
Folio No.			
Name of Shareholder(s)			
Pan (attached Self attested copy of Pan card)	First holder	Second Holder	Third Holder
Aadhar No.			
Bank Account No. (kindly attach name printed cancel cheque)			
Name of Bank			
Branch Address			
IFSC No.			
MICR No.			
Email Id			
Mobile/Telephone No.			

(\_\_\_\_\_) Signature of 1<sup>st</sup> Shareholder(s)(\_\_\_\_\_) Signature of 2<sup>nd</sup> Shareholder(s)(\_\_\_\_\_) Signature of 3<sup>rd</sup> Shareholder(s)

Kindly all share holders signature should be attested by bank.

**To,**



if undelivered, please return to :  
**Linaks Microelectronics Limited.**  
12.6 K.M., Barabanki Road,  
Chinhat, Lucknow- 227 105

