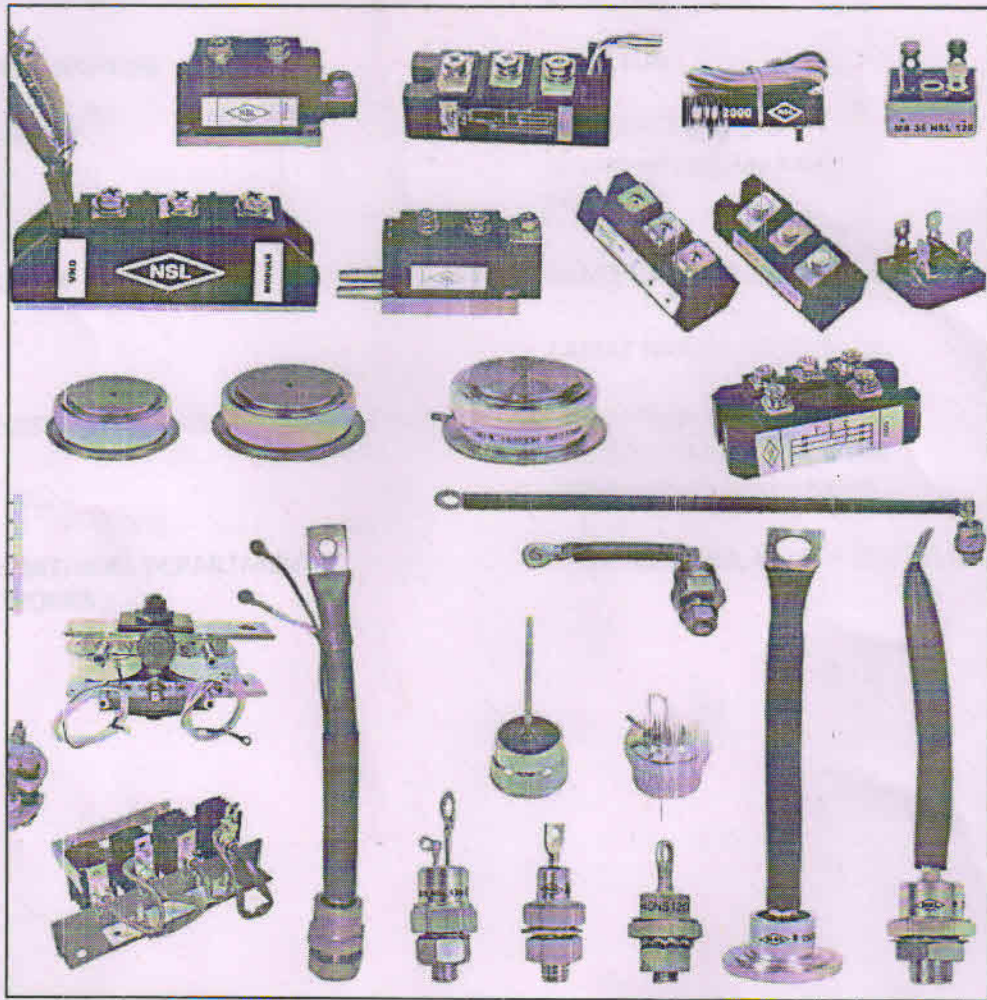




# NAINA SEMICONDUCTOR LTD.



**TWENTY EIGHTH ANNUAL REPORTS 2015-16**

NSL

NAINA SEMICONDUCTOR LIMITED

BOARD OF DIRECTORS

- KAPIL MOHAN MEHTA MANAGING DIRECTOR
- S.L. GANDHI DIRECTOR
- ANIL KHANNA DIRECTOR
- VINOD KUMARI DIRECTOR
- AUDITOR VIKRAM SALHOTRA  
Chartered Accountants  
New Delhi
- BANKER STATE BANK OF INDIA  
LAJPAT NAGAR, NEW DELHI
- REGISTERED OFFICE Village PadampurDevalia  
P.O. MotaHaldu, (Haldwani)  
Dist.Nainital (Uttarakhand)
- SECRETARIAL DEPARTMENT & WORKS D-95, Sector 63, Noida – 201301 (U.P.)

## NOTICE

Notice is hereby given that the Twenty eight Annual General Meeting of the Members of Naina Semiconductor Limited will be held at Regency Inn, Haldwani, Dist. Nainital (Uttarakhand) on 9 AUG 2016 at 12.00 A.M. on Tuesday to transact the following business:-

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016 and the Profit & Loss Account 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 Khanna (DIN:-00508016) who retires by rotation and offers himself for reappointment and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution.
3. To appoint a Director in place of Mr. S.L. Gandhi (DIN:-00909735) who retires by rotation and offers himself for reappointment and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution.
4. To Consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution.

Resolved that pursuant to the provision of sections 139(9) and 142(1) and other applicable provision, if any of the Companies Act, 2013 read with rules made there under, the appointment of Mr. Vikram Salhotra Chartered Accountants approved in the 28th Annual General Meeting until 29th Annual General Meeting is hereby ratified in the Annual General Meeting till conclusion on next Annual General Meeting, with remuneration as may be decided by the Board of Directors.

Regd. Office:  
Village PadampurDevalia

By Order of Board of Directors

  
Kapil Mohan Mehta  
Managing Director

Date 31.05.16  
Place Noida

## NOTES

1. Any member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and such a proxy need not be a member in order to be effective proxy. Forms duly completed should be deposited at the Registered Office or Corporate Office at D-95 Sector-63 Noida (UP) of the Company not less than 48 hours before the time fixed for the meeting.
2. Members/Proxies should bring the Attendance Slip and the Annual Report sent herewith duly filled in while attending the meeting.
3. Members are requested to intimate and change in their addresses at the Secretarial Dept. at D-95 Sector63 Noida (U.P.) by quoting their Folio No.
4. Shareholders seeking any information with regard to the Accounts are requested to write to the Company at its Corporate Office, D-95 Sector-63 Noida (UP) at least 10 days before the meeting so that the information be made available by the management at the date of meeting.
5. Members are requested to address all correspondence relating to transfer of shares directly to the Company's Secretarial Dept., D-95 Sector-63 Noida (UP)

Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. As per the Circular No.17/2011, dated 21.04.2011 and Circular No.18/2011, dated 29.04.2011 issued by the Ministry of Corporate Affairs, companies can now send various notices/documents (including notice calling Annual General Meeting, Audited Financial Statements, and Directors. Report, Auditors. Report etc.) to their shareholders through electronic mode, to the registered email address. As the company had sent the report by electronically to those shareholders whose mail id are available with the company further the shareholder are requested to send the email address at akhanna@nainasemi.com to register the mail.

### **Cases of Non-Compliance:**


There has been no instance of non-compliance by the Company on any matter related to capital markets.

### **SEBI Complaints Redressal System (SCORES):**

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

Some of the Share Holders have not sent there old share certificate so, those member are requested to send there old share certificate so, that company can issue new share certificate.

By Order of Board of Directors

  
Kapil Mohan Mehta  
Managing Director

Place : Noida  
Dated : 31.05.16

## DIRECTOR REPORT

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To,

The Members,

Your Directors have pleasure in presenting their Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2016.

### 1. Financial summary or highlights/Performance of the Company

The Board's Report shall be prepared based on the financial statements of the company

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Particulars	2015-2016	2014-2015
Gross Income	520.92	613.87
Profit Before Interest and Depreciation	63.45	64.59
Interest / Finance Charges	56.52	58.02
Provision for Depreciation	5.50	5.00
Profit before exceptional item	1.41	6.57
Income from exceptional item (net)	-	1.57
Net Profit Before Tax	1.41	1.57
Provision for Tax / Deferred Tax	.22	.35
Net Profit After Tax	1.19	1.22
Balance of Profit/(loss) brought forward	1.19	1.22
Balance available for appropriation	-	-
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	1.19	1.22
Surplus / (loss) carried to Balance Sheet	1.19	1.22

### 2. Brief description of the Company's working during the year/State of Company's affair

During the year your Company was able to achieve revenue of ₹119154/- as compared to the revenue of ₹122166/- in the immediately preceding financial year.

### 3. Brief of Business and new business plans

The company continues to be electronic components manufacturing company. During the year under review, there was no material change in the nature of business of the company.

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4. **Dividend**

No dividend has been declared for the current financial year due to insufficient profits. Further the provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

5. **Reserves**

The company transfer all amounts to general reserve during the year.

6. **Directors and Key Managerial Personnel**

The Board of Directors of the Company possess highest personal and professional ethics, integrity, values and provide leadership, strategic guidance and objective judgment on the affairs of the Company.

The Board consists of 4 Directors. During the year under review, there was no change in the constitution of the Board of Directors and Key Managerial Personnel of the Company. Composition of the Board and directorships held as on 31<sup>st</sup> March, 2016 form part of this Annual Report as **ANNEXURE A**

7. **Meetings**

During the year under review, your Board of Directors has met 4 (FOUR) times. The details of which are given in the **Annexure A**. The intervening gap between the two Meetings of the Board is as prescribed under the Companies Act, 2013. (Hereinafter "the Act").

8. **Disclosure of Voting Rights not exercised directly by the employees:**

There are no employees having any voting rights in the company.

9. **Disclosure of Issue of equity Shares with Differential Voting Rights:**

During the year under review, NO Equity shares were issued by the company.

10. **Declaration by an Independent Director(s) and re- appointment, if any**

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to your company.

11. **Managerial Remuneration:**

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to your company. The details of Remuneration paid to Managing Director and other Key Managerial Personnel's as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are furnished in **Annexure B** and is attached to this report.

**12. Auditors:**

M/s Vikram Salhotra Chartered Accountants, Statutory Auditors of the Company having registration number M. NO. 094772 hold office until the conclusion of the next Consecutive Annual General Meeting. The Company has received a certificate from the statutory auditors to the effect that their re-appointment, if made, would be within the limits prescribed.

**13. Auditors Report:**

The Auditors' Report does not contain any qualification. The Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

**14. Internal Audit & Controls:**

During the year under review, Provisions of Section 138, of the companies act, 2013 was not applicable on your company. However, the Company continued to implement the suggestions and recommendations of their accounting and finance staff in order to improve the control environment, to safeguard the assets of the Company, to review the operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas.

**15. Corporate Social Responsibilities Initiatives:**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**16. Risk management policy:**

Your Company does not have any Risk Management Policy as the elements of internal risks are effectively controlled by the Internal Control System of the Company. In the opinion of the management the outside elements of risk threatening the Company's Existence is minimal.

**17. Disclosure under the Sexual Harassment of Women at workplace(Prevention, Prohibition and Redressed) Act, 2013:**

Your Company has constituted an Internal Complaints Committee under Section 4 of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressed) Act, 2013, to look into the matters /complaints if any, relating to sexual harassment of women at work place.

During the year under review, no complaint has been received regarding sexual harassment.

**18. Extract of Annual Return:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 as a part of this Annual Report as Annexure B.

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**19. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relates on the date of this report.

**20. Deposits**

During the year under review, your company has neither accepted nor renewed any deposits.

The details relating to deposits, covered under Chapter V of the Act,-

(a) accepted during the year; **NIL**

(b) remained unpaid or unclaimed as at the end of the year; **NIL**

(c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- **NIL**

(i) at the beginning of the year; **NIL**

(ii) maximum during the year; **NIL**

(iii) at the end of the year; **NIL**

**21. Particulars of loans, guarantees or investments under section 186**

During the year, under review no loans, guarantees or investments made by your company under section 186 of the Companies Act, 2013 and hence the said provision is not applicable.

**Details of Loans:**

SL No	Date of making loan	Details of Borrower	Amount	Purpose for which the loan is to be utilized by the recipient	Time period for which it is given	Date of BR	Date of SR (if required)	Rate of Interest	Security
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-

**Details of Investments:-**

SL No	Date of investment	Details of Investee	Amount	Purpose for which the proceeds from investment is proposed to be utilized by the recipient	Date of BR	Date of SR (if required)	Expected rate of return
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

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**Details of Guarantee / Security Provided:**

SL No	Date of providing security/guarantee	Details of recipient	Amount	Purpose for which the security/guarantee is proposed to be utilized by the recipient	Date of BR	Date of SR (if any)	Commission
1.	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-

**22. Particulars of contracts or arrangements with related parties:**

The details of contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. AOC-2 as Annexure C.

**23. Conservation of energy, technology absorption and foreign exchange earnings and outgo**

Since your Company owns manufacturing facility, statement giving details of conservation of energy and technology absorption in accordance with the clause (m) of sub section(3) of Section 134 of the Act, read with rule 8 of the Companies (Accounts) Rules, 2014 is applicable.

Your company has initiated steps to conserve the energy as this year has seen a widening gap between electricity production and demand across the country. However, your company is ever mindful of the need for energy conservation, not only as the method of cost reduction, but also because it is global imperative. We have ensured that the following measures are institutionalized across all our facilities:

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

a) Conservation of energy

(i)	the steps taken or impact on conservation of energy	Regular preventive maintenance of electric motors, LED Light fittings installed in general area lighting, Electronic ballast were installed in lighting system Installation of additional capacitor banks to improve power factor.  Impact of Conservation: Improvement in productivity. Improvement in the life of electrical equipment's. Improved efficiency and product quality. Reduction in electrical energy consumption and better illumination.
(ii)	the steps taken by the company for utilizing	Solar street lights were proposed

	alternate sources of energy	for new locations wherever required. Installation of sky lighting and turbo ventilators to reduce the lighting loads
(iii)	the capital investment on energy conservation equipment's	NIL

(b) Technology absorption

(i)	the efforts made towards technology absorption	The Company has not entered into any technical collaboration agreement. It has not acquired any technical know-how from any foreign source so far. However there is continuous interaction with R&D divisions of overseas designers and buyers. ii. Adaptation of sophisticated domestic technologies in developing new products and designs.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	Improvement in the quality of current products. Innovation of new products and processes. Progression of R&D efforts towards quality enhancement, evolution of new designs and reduction in operational costs. Reduced costs and increased productivity
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Not applicable
	(a) the details of technology imported	-
	(b) the year of import;	-
	(c) whether the technology been fully absorbed	-
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	-
(iv)	the expenditure incurred on Research and Development	-

(c) Foreign exchange earnings and Outgo

During the year the total foreign exchange used was RS 15778685 and the total foreign exchange earned was Rs.13523685.75.

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#### 24. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that:

- (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.

#### 25. Acknowledgements

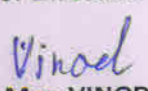
Your Directors place on record their sincere thanks to bankers, business associates, consultants and various government authorities for their continued support extended to your Companies activities during the year under review. Your directors also acknowledge gratefully the shareholders for their support and confidence reposed on your company.

For and on behalf of the Board of Directors

  
Mr. Kapil Mohan Mehta  
(Managing Director)  
DIN: 00909735

  
Mr. ANIL KHANNA  
(Director)  
DIN: 06593175

  
Mr. S.L. GANDHI  
(Director)  
DIN00909735

  
Mrs. VINOD KUMARI  
(Director)  
DIN 07135720

Place: Noida  
Date: 31<sup>st</sup> MAY 2016

**ANNEXURE INDEX**

Annexure	Content
i. A	Composition of Directorships
ii. B	Annual Return Extracts in MGT 9
iii. C	AOC 2 – Related Party Transactions disclosure

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**Annexure – A**

**Composition of the Board and Directorships held as on 31<sup>st</sup> March, 2016:**

Name of the Director	Age	All companies around the world
<b>Director</b>		
Mr. Kapil Mohan Mehta	64	6
<b>Director</b>		
Mr. Anil Khanna	55	1
<b>Director</b>		
Mr. S. L. GANDHI	72	1
Mrs. Vinod Kumari	54	1

**Board Meeting Dates held during financial year 2015-2016**

Sr. No	Date of the Board Meeting
1.	30 <sup>th</sup> May, 2015
2.	31 <sup>th</sup> July, 2015
3.	31 OCT 2015
4.	31 <sup>st</sup> Jan, 2016

**Attendance of the Directors in the Board Meetings held during financial year 2015-2016**

S. No	Name of the Director	No. of Board Meeting Attended during the year	Attendance at last AGM on 04/08/2015
1.	Mr. KAPIL MOHAN MEHTA	4	NO
2.	Mr. ANIL KHANNA	4	YES
3.	Mr. S.L GANDHI	4	NO
4.	Mrs. VINOD KUMARI	4	NO

\* During the year under review no leave of absence was granted to any Director.

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Annexure B

FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

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:

CIN	L31909UR1988PLC010004
Registration Date	24.10.1988
Name of the Company	NAINA SEMICONDUCTOR LIMITED
Category/Sub-category of the Company	Company Limited by Shares
Address of the Registered office & contact details	Village Mota Haldu P.O. PADAMPUR DEVLIA HALDWANI NAINITAL Uttarakhand
Whether listed company	Listed Company
Name, Address & contact details of the Registrar & Transfer Agent, if any.	ANIL KHANNA D 95 SECTOR 63 NOIDA U.P. 201301

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	Manufacture of Diode	14	100%

<b>Non –Institutional</b>						
Indian Bodies Corp. Overseas Bodies Corp.						
<b>Sub Total (B)(2)</b>						
<b>Total Public Shareholding (B)(1) + (B)(2)</b>	910986	30.37	910986	30.37		NIL
<b>Shares held by Custodian for GDRs&amp;ADRs</b>	-	-	-	-		-
<b>Grand Total A+B+C</b>	3000000	100%	3000000	100%		-

**B) Shareholding of Promoter-**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Shareholding at the end of the year		Change during the year	
		No. of Share	% of total Share of the Company	No. of Share	% of total Share of the Company	No. of Share	% of total Share of the Company
1.	KAPIL MOHAN MEHTA	442284	14.74%	442284	NIL		
2.	SAJLA MEHTA	445850	14.86%	445850	NIL		
3.	ARJUN MEHTA	447417	14.91%	447417			
4.	KAPIL MOHAN MEHTA (H.U.F.)	211351	7.05%	211351	NIL		
5.	SAJLA ENTERPRISES PVT. LTD.	249687	8.32%	249687	NIL		
6	KAPIL COMPONENTS PVT. LTD.	207425	7.05%	207425	NIL		
7	NAINA SOLARIES LTD	85000	2.83%	85000	NIL		
	<b>Total</b>	2089014	69.63%	2089014	NIL		

<b>Non –Institutional</b>						
Indian Bodies Corp. Overseas Bodies Corp.						
<b>Sub Total (B)(2)</b>						
<b>Total Public Shareholding (B)(1) + (B)(2)</b>	910986	30.37	910986	30.37		NIL
<b>Shares held by Custodian for GDRs&amp;ADRs</b>	-	-	-	-		-
<b>Grand Total A+B+C</b>	3000000	100%	3000000	100%		-

**B) Shareholding of Promoter-**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year		Shareholding at the end of the year		Change during the year	
		No. of Share	% of total Share of the Company	No. of Share	% of total Share of the Company	No. of Share	% of total Share of the Company
1.	KAPIL MOHAN MEHTA	442284	14.74%	442284	NIL		
2.	SAJLA MEHTA	445850	14.86%	445850	NIL		
3.	ARJUN MEHTA	447417	14.91%	447417			
4.	KAPIL MOHAN MEHTA (H.U.F.)	211351	7.05%	211351	NIL		
5.	SAJLA ENTERPRISES PVT. LTD.	249687	8.32%	249687	NIL		
6	KAPIL COMPONENTS PVT. LTD.	207425	7.05%	207425	NIL		
7	NAINA SOLARIES LTD	85000	2.83%	85000	NIL		
	<b>Total</b>	2089014	69.63%	2089014	NIL		



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

Sl. No.	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
1.	At the Beginning of the year				

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	456241	15	456241	15
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	4456241	15	456241	15

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	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	442284	14.74%	442284	14.74

At the end of the year	442284	14.74%	442284	14.74%
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F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year			-	-
i) Principal Amount	32500000	-	-	32500000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
iv) Interest accrued but due	-	-	-	-
Total (i+ii+iii+iv)	32500000	-	-	32500000
Change in Indebtedness during the financial year				
* Addition	-	27720319	-	27720319
* Reduction	-	-	-	-
Net Change	-	-	-	27720319
Indebtedness at the end of the financial year				
i) Principal Amount	32500000	27720319	-	60220319
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
iv) Interest accrued but due	-	-	-	-
Total (i+ii+iii+iv)	32500000	27720319	-	60220319

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Remuneration					
Overall Ceiling as per the Act	-	-	-	-	-

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

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

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

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

SL. No.	Particulars	Details
-	Name (s) of the related party & nature of relationship	-
-	Nature of contracts/arrangements/transaction	-
-	Duration of the contracts/arrangements/transaction	-
-	Salient terms of the contracts or arrangements or transaction including the value, if any	-
-	Justification for entering into such contracts or arrangements or transactions'	-
-	Date of approval by the Board	-
-	Amount paid as advances, if any	-
-	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	-

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
-	Name (s) of the related party & nature of relationship	-
-	Nature of contracts/arrangements/transaction	-
-	Duration of the contracts/arrangements/transaction	-
-	Salient terms of the contracts or arrangements or transaction including the value, if any	-
-	Date of approval/Ratification by the Board	-
-	Amount paid as advances, if any	-

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Part "A": Subsidiaries

Name of the subsidiary	
1. Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NIL
2. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	
3. Share capital (Rs.)	
4. Reserves & surplus	
5. Total assets	
6. Total Liabilities	
7. Investments	
8. Turnover	
9. Profit before taxation	
10. Provision for taxation	
11. Profit after taxation	
12. Proposed Dividend	
13. % of shareholding	

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**Part "B": Associates and Joint Ventures**

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

The following information shall be furnished:-

- Names of associates or joint ventures which are yet to commence operations NIL
- Names of associates or joint ventures which have been liquidated or sold during the year. NIL

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## AUDITORS' REPORT

The Shareholders

Naina Semiconductor Ltd.

We have audited the attached Balance Sheet of Naina Semiconductor Ltd. 31st March, 2016 and the Profit & Loss Account and Cash Flow statement for the year ended on that date and annexed thereto. These Financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- i) 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.
- ii) In our opinion, proper books of accounts as required by the Companies Act, 2013 have been kept by the company so far as it appears from our examination of those books.
- iii) The Balance Sheet and Profit and Loss Account cash flow dealt with in this report are in agreement with the books of account and also are in compliance with the mandatory accounting standards referred to in section 211(3C) of the companies Act 2013 to the extent applicable.
- iv) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon, give the information required by the Companies Act, 2013 and also give true and fair view.
  - a) In the case of Balance Sheet of the state of affairs of the company as at 31st March, 2016.
  - b) In the case of Profit & Loss Account the profit for the year ended on that date.
  - c) On the basis of written representation received from the Directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the Directors is disqualified as on the above date from being appointed as director in terms of Section 274 (1) (g) of the Companies Act, 2013.
  - d) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
  - e) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.
- v) As required by the companies (Auditor's Report) Order, 2003 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 2013 and on the basis of such checks as we considered appropriate, we further report on the matters specifically in paragraph 4 & 5 of the said order to the extent applicable.
  1. The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us the fixed assets




- have been physically verified by the management during the year. No serious discrepancies were noticed on such verification.
2. The management has conducted physical verification at reasonable intervals in respect of finished goods, store, spare parts and raw materials.
  3. As explained to us, in respect of goods traded in , the company has reasonable system for the determination of damaged goods and in our opinion, adequate provisions have been made in the accounts for the losses arising on the items so determined.
  4. The procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
  5. No material discrepancies have been noticed on physical verification of stocks as compared to book records.
  6. In our opinion, the valuation of the stocks is fair and proper and in accordance with the normally accepted accounting principles. The basis of valuation of stocks is the same as in the preceding year.
  7. The company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the registers maintained under section 311 and 370 (1B) of the Companies Act, 1956.
  8. The company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 311 (1B) of the Companies Act, 1956.
  9. In respect of loans and advances given by the company during the year, there are no stipulations for repayment of principal or any interest thereon as per verification of records produced before us and as confirmed by the management.
  10. In our opinion, the company has an adequate internal control procedure commensurate with the size of the company and the nature of the business for the purchase of stores, raw materials, including components, plant and machinery, equipment and other assets and for the sale of goods.
  11. In our opinion and according to the information and explanations, given to us, the company has not entered into any transactions of purchase of goods and materials and sale of goods, material and services in excess of Rs. 50,000/- in value, in pursuance of contracts or arrangement entered in the register (s) maintained under section 311 of the Companies Act, 1956. The company has no subsidiary.
  12. The company has a system for the determination of unserviceable or damaged stores, raw materials and finished goods and in our opinion, provision for loss has been made in accounts.
  13. The company has not accepted any deposits from the Public.
  14. In our opinion, the company is maintaining reasonable records for the sale and disposal of realizable scrap. The company has no by-products.
  15. The company is maintaining cost records under section 209 (1) (d) of the Companies Act, 2013 for any of the products of the company as per cost accounting records (Electronic Products) Rule 2001
  16. The company is regular in depositing Provident Fund &ESI dues.
  17. There are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Customs Duty and Excise Duty outstanding as at last day of financial year concerned for a period of more than 6 months from the date they become payable.
  18. No personal expenses, whether of the Directors or employees, have been charged





- to the revenue account other than those payable under contractual obligations or accepted business practice.
- 19. According to the information & explanations given to us, no Fraud in or by the company has been noticed or reported during the year.
- 20. According to the records of the company its accumulated losses at the end of the financial year are less than 50% of its net worth. The company has not incurred cash losses in the financial year under report and in the financial year immediately preceding such financial year.
- 21. In our opinion, the company is not chit-fund or Nidhi mutual benefit fund / society. Therefore the provision of clause 4(XIII) of the companies (auditor's report) order 2003 are not applicable to the company.
- 22. In our opinion and according to the information and explanations given to us, the company is not dealing in or trading in shares, securities, debentures and other investment.
- 23. The company has not made any fresh allotment of shares and debentures. Therefore the provisions of clause 4(XVIII & XIX) of the companies act (auditor's report) order 2003 are not applicable to the company.
- 24. During this year depreciation was charged on the fixed assets as per life of the assets but in some cases life of the assets were decrease

Place: Noida  
Date: 31.05.16


 For Vikram Salhotra  
 CHARTERED ACCOUNTANTS  
*Vikram Salhotra*  
 Vikram Salhotra  
 CHARTERED ACCOUNTANT


 VIKRAM SALHOTRA  
 M. No. 094772  
 Chartered Accountant

## SCHEDULE 13 - NOTES TO ACCOUNTS

### Part - A

#### ACCOUNTING POLICIES

##### 1. Fixed Assets

Depreciation has been provided on straight-line basis in accordance with and at the rates prescribed in Schedule XIV to the Companies Act, 1956 read with the relevant circulars issued by the Department of Company Affairs from time to time on all the assets. Depreciation on assets whose actual cost do not exceed Rs. 5000/- is provided at the rate of 100%.

##### 2. Depreciation

Depreciation on Assets is provided on Straight Line Method at the rate prescribed in the Schedule XIV of the Companies Act, 2013 by applying revised rate in terms of Notification. Depreciation on addition to assets is charged on pro-rata basis.

##### 3. Revenue Recognition

Sales of products and scrap are recognized on the basis of dispatch to Customers.

##### 4. Inventories

I) Raw material inventory is valued at cost. Cost for the purpose of valuation are ascertained under first in first out basis.

II) Work in progress inventory is valued at cost.

III) Finished goods inventory is valued at the lower of cost or net realizable value.

##### 5. Gratuity & Excise Duty

Provision for Gratuity has been made during the year on accrual basis. Excise duty has been accounted on the basis of both payment made in respect of goods cleared and also provision made for finished goods lying in factory premises.

### PART - B

#### 6. Contingent Liabilities

(Rupees in lacs)  
Current Year      Previous Year

A. Guarantee executed by the company against the letter of credit established by the Bank Guarantee issued by the Bank on behalf of the company.	00.00	00.00
B. E.S.I. demand of the dues which has been challenged by the company in the ESI Court.	0.00	0.00
C. Excise Duty and penalty demanded by the Central Excise which has been challenged by the Company in the Tribunal (Appeal) Custom & Central Excise	0.00	0.00

7. In the opinion of the management the Current Assets, Loans & Advances are approximately of the value stated, if realized in the ordinary courses of business. The provision for the known liabilities is adequate and not in excess of amount reasonably necessary.

8. Debit, Credit Balance are subject to confirmation of Debtors/Creditors.



	Current year	Previous year
9. The Fixed Deposit includes FDRs which stand pledged with bank against Bank Guarantees issued by Bank.	00	00.10
Advances recoverable in Cash or in kind or for value to be recovered including Prepaid		
Expenses	00.00	00.00
10. Managerial remuneration includes the following payments to Managing Director		
A. Salary	9.0.	9.0
B. Other Perquisites	.00	0.00
11. Auditors' Remuneration includes:		
A. Audit Fee	0.30	0.30
B. Tax Audit Fee	0.00	0.00
12. Figures have been rounded off to the nearest lacs of Rupees and have been regrouped and recast to make them comparable with previous year figures wherever considered necessary.		
13. Sales (Exclusive excise duty & other taxes) of Rs.520.92 lacs and scrap sales of Rs. Nil.		
14. The Company is listed with Bombay stock exchange Delhi. Kanpur, Ahmedabad but has not paid annual listing fees to the Delhi. Kanpur, Ahmedabad & company had apply for delisting the share from these stock exchange .Mumbai & Kanpur stock had suspended the trading due to some reason & due to this fees are not paid.		
15. Small Scale Industrial Undertaking to whom the Company owes in excess of Rs. 1, 00,000/- for more than 31 days are Nil.		
16. In accordance with AS-22 issued by The Institute of Chartered Accountants of India Deferred Tax Assets amount to Rs. 43.78 for the year 2015-16		
17. As required by Accounting Standard - AS 18 "Related Parties Disclosure" issued by The Institute of Chartered Accountants of India. There are no related parties in this regard.		
18. Additional information pursuant to the provision of Section 3, 4C and 4D of part11 Schedule VI of the Companies Act,2013.		
19. Transactions in foreign currencies are recorded at the average rates prevailing on transaction, current assets and current liabilities not covered by forward exchange contracts are translated at year-end exchange rates and the profit/loss so determined and also the realized exchange gains and losses are recognized in the profit and loss account.		
20. Income tax expense comprises of current tax (amount of tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) determined in accordance with accounting standard 22 of		
21. the Institute of Chartered Accountants to the extend here is virtual certainty that the assets can be realized in future the liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the Balance Sheet date.		
22. In our opinion and according to the information and explanations given to us, the company is not dealing in or trading in shares, securities, debentures and other investment.		



23. The company has not made any fresh allotment of shares and debentures.
24. Therefore the provisions of clause 4(XVIII & XIX) of the companies act
25. (Auditor's report) order 2003 are not applicable to the company.
26. During this year no depreciation was charged on the fixed assets lying in Haldawni factory which is closed & not in use since 2001 & due to this the profit was overstated by Rs 10.12 Lacs.

Place: New Delhi  
Date: 31.05.16

FOR Vikram Salhotra  
CHARTERED AOUNTANTS



*Kapil Mohan Mehta*

**Mr. Kapil Mohan Mehta**  
(Managing Director)  
DIN: 00909735

*Anil Khanna*

**Mr. ANIL KHANNA**  
(Director)  
DIN: 06593175

*S.L. Gandhi*

**Mr. S.L. GANDHI**  
(Director)  
DIN: 00909735

*Vinod Kumari*

**Mrs. VINOD KUMARI**  
(Director)  
DIN: 07135720



## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
M/s Naina Semiconductor Ltd  
Delhi

### **Report on the Financial Statement**

1. We have audited the accompanying financial statements of Naina Semiconductor Ltd ("the Company"), which comprise the Balance Sheet as at 31 March 2016, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statement**

2. The Companies management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. 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**

3. 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.
4. 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. 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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.
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2016;
  - b) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

7. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of section 227(4A) of the Act, the provisions of aforesaid section are not applicable to this company
8. As required by section 227(3) of the Act, we report that
- a) 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;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) the Balance Sheet, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, the Statement of Profit and Loss comply with the Accounting Standards referred to in section 211(3C) of the Act.
  - e) on the basis of written representations received from the directors as on 31 March 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016, from being appointed as a director in terms of section 274 (1)(g) of the Act.

Place: New Delhi  
Date: 31.05.16

FOR Vikram Salhotra  
CHARTERED ACCOUNTANTS

*Vikram Salhotra*  
(Vikram Salhotra)  
Prop.



**NAINA SEMICONDUCTOR LTD**

Figure in Rs.

BALANCE SHEET		NOTES	31.03.16	31.03.15
<b>A</b>	<b>EQUITY &amp; LIABILITIES</b>			
1	SHARE HOLDER FUNDS		AMOUNT	AMOUNT
	a) Share Capital	1	30000000.00	30000000.00
	b) Reserves & Surplus	2	8066306.91	12084753.85
2	NON CURRENT LIABILITIES			
	Deferred Tax Liabilities (Net)	3	4378693.53	4356674.78
3	CURRENT LIABILITIES			
	a) Short Term Borrowings	4	31573079.00	31388562.10
	b) Trade Payables	5	2263429.00	2005207.00
	c) Other Current Liabilities	6	28325110.76	437298.00
	d) Short Term Provision	7	65000.00	29083.00
	<b>Total</b>		104671619.20	80301578.73
<b>B</b>	<b>ASSETS</b>			
	NON CURRENT ASSETS			
1	FIXED ASSETS			
	a) Tangible Assets	8	22001233.00	21528060.00
	Deferred Tax Assets		4137600.44	6370147.73
2	CURRENT ASSETS			
	a) Inventories	9	28994770.00	28392981.00
	b) Trade Receivables	10	19377394.00	20123942.00



c) Cash & Cash Equivalents	11	286045.00	1022640.00
d) Short Term Loans & Advances	12	1674257.00	1601000.00
e) Other Current Assets	13	28200319.76	1262808.00
<b>Total</b>		<b>104671619.20</b>	<b>80301578.73</b>

The Notes referred to above form an integral part of the Balance Sheet

**AUDITORS' REPORT**

In terms of our separate report of even date

For VILRAM SALHOTRA  
 CHARTERED ACCOUNTANTS

VILRAMS ALHOTRA

CHARTERED ACCOUNTANTS



*Kapil Mehta*

**Mr. Kapil Mohan Mehta**  
 (Managing Director)  
 DIN: 00909735

*Anil Khanna*

**Mr. ANIL KHANNA**  
 (Director)  
 DIN: 06593175

*S.L. Gandhi*

**Mr. S.L. GANDHI**  
 (Director)  
 DIN: 00909735

*Vinod*

**Mrs. VINOD KUMARI**  
 (Director)  
 DIN: 07135720

Place: Noida

Dated: 31.05.16





NAINA SEMICONDUCTOR LTD

PROFIT & LOSS ACCOUNT

PARTICULARS			31.03.16	31.03.15
1	REVENUE			
	a) Revenue from Operations	14	52092024.00	61194496.00
	Other Income		195326.00	192733.00
	Total Revenue		52287350.00	61387229.00
2	EXPENSES			
	Cost of Materials Consumed	15	31105724.00	42339767.00
	Change in inventories of finished goods & work in progress	16	-39163.00	-1476842.00
	Other Manufacturing Expenses	17	721822.00	758463.00
	Employee Benefit Expenses & Perks	18	7411060.00	6783514.00
	Finance Cost	19	5652829.00	5802044.50
	Depreciation & Amortization Expenses	8	550473.00	500089.00
	Other Expenses	20	6742858.00	6523027.00
	TOTAL		52145603.00	61230062.50
	Profit before exceptional and extraordinary items and tax		141747.00	157166.50
	Exceptional Items		0.00	0.00
	Profit before tax		141747.00	157166.00
	Tax Expenses			



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Current Tax	22593.00	35000.00
Profit for the period from continuing operation	119154.00	122166.50
Profit for the period from discontinuing operation (after tax)	0.00	0.00
Profit for the Period	119154.00	122166.50
Basic Earnings per share	3.26	3.26
Diluted Earnings per share	3.26	3.26

The Notes referred to above form an integral part of the Balance Sheet

**AUDITORS' REPORT**

In terms of our separate report of even date

For VIKRAMSALHOTRA  
CHARTERED ACCOUNTANTS

VIKRAM SALHOTRA  
CHARTERED ACCOUNTANTS



*Kapil Mohan Mehta*

KAPIL MOHAN MEHTA  
Managing Director

*Vinod Kumari*

VINOD KUMARI  
S.L. GANDHI  
ANIL K. KHANNA  
Directors

*Anil K. Khanna*

Place: Noida  
Dated: 31.05.16



**SCHEDULE 1- CAPITAL**

PARTICULARS	31.03.16	31.03.15
SHARE CAPITAL		
AUTHORISED CAPITAL	100000000	100000000
10000000 Equity Shares of Rs. 10 Each		
Paid Up Capital		
3000000 Equity Shares of Rs. 10 Each	30000000	30000000

## Detail of shareholding more than 5%

Name	No. of Shares	%
<b>Indian Promoter</b>		
Kapil Mohan Mehta	442284	14.74
Sajla Mehta	445850	14.86
Arjun Mehta	447417	14.91
Sajla Enterprises Pvt.Ltd.	249687	8.32
Kapil Components Pvt.Ltd.	207425	6.91
Kapil Mohan Mehta HUF	267851	9.93
Pranav Trading Enterprises	398764	13.29



**SCHEDULE 2**

Reserves & Surplus

PARTICULARS		
General reserve	12084753.35	12277707.35
Surplus as per profit & loss account	119154.00	122166.00
Less Reserve for last years Differed Assets	4137600.44	315120.00
TOTAL (1)	8066306.91	12084753.35

**SCHEDULE 3**

Differed Tax Liabilities (Net)	4378693.53	4356674.78
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**SCHEDULE 4**

Short Term Borrowings

From Bank	31573079.00	29256901.00
From other loan Bank	0.00	2131661.00
Total	31573079.00	31388562.10

**SCHEDULE 5-** Trade Payable

Trade Payable to Micro, Small, Medium ect.	2263429.00	2005207.00
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**SCHEDULE 6-** Other Current Liabilities

	28325110.76	437298
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**SCHEDULE 7-** Short Term Provision

Provision for expenses	65000	29083
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**SCHEDULE 9**

**PARTICULARS**

Inventories		
Stores & Spares	31110	311230
Raw Material	166,90215	15846924
Work In Progress	4236532	2236500
Finished Stock	7280473	9241342
Other Material	756440	756985
Total	28994770	28392981

**SCHEDULE 10**

Trade Receivables		
Unsecured but Considered Good		
(A) For Period Exceeding Six Months	165326	170256
(B) Other Debts	19212068	19953686

**SCHEDULE 11**

Cash & Cash equivalents		
Cash in Hand	149516	201440
FDR	136529	821200
TOTAL (3)	286045	1022640

**SCHEDULE 12**

Short Term loans and advances	1674257	1601000
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**SCHEDULE 13**

Other Current Assets

Security

28200320 1262808

**SCHEDULE 14**

Revenue from Operations

57353941 67161951

Sale of products

5261917 5967455

Less Excise Duty & Govt. Dues

52092024 61194496

**SCHEDULE 15**

Cost of Materials Consumed

30845113 42043258

Raw Material consumed

251085 286627

Power & fuel

9526 9882

Store, Spares & Packing Material Consumed

31105724 42339767

Total

**SCHEDULE 16**

Change in inventories of finished goods & work in progress

Stock at close process

4236532 2236500

Stock at close finished

7280473 9241342

Stock at commencement process

2236500 1976860

Stock at commencement finished

9241342 8024140

Net Increase \ Decrease in Stock

-39163 -1476842



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**SCHEDULE 17- OTHER MANUFACTURING EXPENSES**

PARTICULARS			
1	JOB WORK CHARGES	606180.00	602522.00
2	REPAIRS & MAINTENANCE		
	A PLANT & MACHINERY	93926.00	94204.00
	B BUILDING	21716.00	61737.00
	TOTAL 1 TO 3	721822.00	758463.00

**SCHEDULE 18- EMPLOYEE BENEFIT EXPENSES**

ESTABLISHMENT EXPENSES	6511060.00	5883156.00
M.D'S REMUNERATION	900000.00	900000.00
MEDICAL EXPENSES		
a) STAFF	0.00	0.00
b) M.D.	0.00	0.00
TOTAL 1 TO 5	7411060.00	6783514.00

**SCHEDULE 19- FINANCE CHARGES**

1 INTEREST ON WORKING CAPITAL SBI	5509405.00	5642793.00
2 INTEREST ON CAR LOAN	143424.00	159251.50
TOTAL	5652829.00	5802044.50



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**SCHEDULE 20- OTHER EXPENSES**

Sl. No.	Description	2018-19	2017-18
1	TRAVELLING & CONVEYANCE EXP.	275004.00	247026.00
2	MOTOR VEHICLE EXP.	201230.00	205326.00
3	PRINTING & STATIONARY EXP.	72984.00	90918.00
4	NEWSPAPER, BOOKS & PERIODICALS	10501.00	14174.00
5	TELEPHONE, TELEX, TELEGRAM & POSTAGE EXP	293671.00	299378.00
6	RATES & TAXES	146647.00	2233.00
7	LEGAL & PROFESSIONAL CHARGES	94200.00	73450.00
8	BANK CHARGES	257542.00	291969.00
9	BUSINESS PROMOTION	750124.00	767750.00
10	RENT	960000.00	960000.00
11	OFFICE & OTHER EXP.	488951.00	432064.00
12	INSURANCE	236669.00	270747.00
13	STAFF WELFARE	70508.00	70508.00
14	ADVERTISEMENT & PUBLICITY	65330.00	68817.00
15	SUBSCRIPTION & MEMBERSHIP FEE	149286.00	111047.00
16	ELECTRICITY EXP.	185630.00	178144.00
17	FREIGHT	2451581.00	2330476.00
18	EXCISE DUTY AND SALES TAX PAID	0.00	75000.00
19	AUDIT FEES	30000.00	30000.00
20	BOARD MEETING EXP.	3000.00	4000.00
<b>TOTAL 1 TO 21</b>		<b>6742858.00</b>	<b>6523027.00</b>

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Naina Semiconductor Ltd.

SCHEDULE 8 FIXED ASSETS

STATEMENT OF FIXED ASSETS AS ON 31.03.2016

PARTICULAR	GROSS BLOCK				DEPRECIATION				NET VALUE	
	AS ON 1 <sup>ST</sup> APRIL 2015	ADDITIONAL DURING THE YEAR	DEDUCTION DURING THE YEAR	TOTAL AS ON 31 <sup>ST</sup> MARCH 2016	AS ON 1 <sup>ST</sup> APRIL 2015	FOR THE YEAR	ADJUSTED DURING THE YEAR	TOTAL AS ON 31 <sup>ST</sup> MARCH 2016	AS ON 31 <sup>ST</sup> MARCH 2015	AS ON 31 <sup>ST</sup> MARCH 2016
LAND	1017125	0	0	1017125	-2569145	0	0	-2569145	3586270	3586270
A. FREEHOLD										
B. BUILDING	11926336	0	0	11926336	6176396	0	0	6176396	5749940	5749940
PLANT & MACHINERY	93754656	1023646	0	94778302	83713260	229364	0	83942624	10041396	10835678
FURNITURE OFFICE	701225	0	0	701225	630269	3002	0	633271	70956	67954
EQUIPMENT	450023	0	0	450023	449780	0	0	449780	243	243
COMPUTERS	224336	0	0	224336	215618	3523	0	219141	8718	5195
CAR	2763735	0	0	2763735	693198	314584	0	1007782	2070537	1755953
TOTAL	110837436	1023646	0	111861082	89309376	550473	0	89859849	21528060	22001233
PREVIOUS YEAR	109287257	1550119	0	19287257	88397350	411938		88809287	20476969	206337



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1. Particulars in respect of goods Manufactured/Purchased

Class of	Unit of	Licensed Capacity		Installed Capacity		Actual Production goods Qty.	
		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Diode and Transistors		200	200	178	178	130	141
Total:		200	200	178	178	130	141

2. Particulars in respect of Sales

Class of	Unit of	Current Year		Previous Year goods		Qty.
		Quantity	Amount	Quantity	Amount	
Diode and Transistors	M	115	520.92	141	611.94	

3. Particulars in respect of Finished Goods

Class of	Unit of	Opening Balance			Closing Balance goods			Qty.	
		Current Year Qty.	Previous Year Qty.	Year Amount	Current Year Qty.	Previous Year Qty.	Year Amount		
Diode and Transistors	M	88	92.42	88.00	98.02	87	72.80	88	98.02

5. Particulars in respect of Raw Material Consumed

Class of	Unit of	Current Year		Previous Year goods		Qty.
		Quantity	Amount	Quantity	Amount	
Studs	K	47	8.25	58	9.15	
Semi Finished	M	90	50.12	161	72.50	

6. Expenditure/ Income in Foreign Currency

Particulars	Current Year (Amount)	Previous Year (Amount)	Raw Material & Spares
	250.23	261.39	
Export	135.23	209.11	

7. FOB Value of Exports

Class of goods	unit of qty	Current Year		Previous Year	
		Qty	Amount	Qty	Amount
Diodes and Transistors	K	163	209.11	108	211.72

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*[Handwritten initials]*

8. Calculation of Deferred Tax Liability as per as -22  
Depreciation as per Income Tax Act.

Particulars	WDV Amount	Rate	Dep.	WDV
Building	9.83	5.00	1.09	8.74
Plant & machinery	32.79	15.00	4.91	27.88
Furniture	0.68	10.00	0.07	0.61
<b>Total</b>	<b>15.74</b>	<b>0.97</b>	<b>6.07</b>	<b>37.23</b>
WDV as per Company Act		215.28		
WDV as income tax Act		37.23		
Net Value		178.05		
Deferred Tax Liability 30% of Above		53.41		

AUDITORS' REPORT

In terms of our separate report of even date

For VIKRAM SALHOTRA  
CHARTERED ACCOUNTANTS

VIKRAMSALHOTRA 094772  
CHARTERED ACCOUNTANTS

KAPIL MOHAN MEHTA  
Managing Director

Vinod Kumari  
VINOD KUMARI  
S.L. GANDHI  
ANIL K. KHANNA  
Directors

Place: Noida  
Dated: 31.05.16

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

		(Rupees in lacs)	
A.	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	CURRENT YEAR	PREVIOUS YEAR
	Net Profit/Loss before tax and extraordinary item	01.19	01.57
	Adjustment for		
	Depreciation	05.50	05.00
	Preliminary and Capital issue expenses written off		
	Other Income & adj. in Loan		
	Interest on Financial Institution		
	Deferred Revenue Expenditure		
	Operating Profit before working Capital Charges		
	Other Income		
	Net cash flow operating activities	06.69	06.57
B.	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Increase in Working Capital last year debts		
	Net Cash out flow from investing activities		
	Increase in Working Capital	29.79	0.83
C.	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Repayment of secured loan/ fixed assets purchase	10.23	
	Net Public Issue Allotment Money		
	Received and Application Money refunded		
	Deferred Revenue Expenditure	-22.11	
D.	<b>NET INCREASING/DECREASE IN CASH AND OPENING</b>		
	Cash and Cash Equivalents as to 1 <sup>st</sup> April, 2014-2015	10.23	9.40
	Cash and Cash Equivalents as to 31 <sup>st</sup> March, 2015-2016	2.86	10.23
<p>We have examined the above cash flow statement of Naina Semiconductor Limited for the year ended 31<sup>st</sup> March 2016. The statement has been prepared by the Company in accordance with the requirement of listing agreement and is based on and in agreement with the corresponding Profit &amp; Loss Account and Balance Sheet of the Company covered by our report of 31<sup>st</sup> May, 2016 to the members of the Company</p>			

For VIKRAM SALHOTRA  
CHARTERED ACCOUNTANTS

VIKRAMSALHOTRA  
CHARTERED ACCOUNTANTS

KAPIL MOHAN MEHTA  
Managing Director

VINOD KUMARI  
S.L. GANDHI  
ANIL K. KHANNA  
Directors

Place: Noida  
Dated: 31.05.16

**NAINA SEMICONDUCTOR LIMITED**  
Regd. Office: Village Padampur Devalia  
P.O. Mota Haldu (Haldwani) Dist. Nainital (Uttarakhand)

**ATTENDANCE SLIP**

I hereby record my presence at the Twenty SIX Annual General Meeting of the Company at Regency Inn, Haldwani, Nainital (Uttarakhand) at 12.00 A.M. on Tuesday the 9 Aug. 2016

Name \_\_\_\_\_ of \_\_\_\_\_ the \_\_\_\_\_ Attending

Member \_\_\_\_\_

(in block Letters)

Members

Number \_\_\_\_\_ Folio

Name of Proxy (In block letters to be filled-in)

If \_\_\_\_\_ the \_\_\_\_\_ proxy attends \_\_\_\_\_ instead \_\_\_\_\_ of \_\_\_\_\_ the

member \_\_\_\_\_ shares

No. \_\_\_\_\_ of \_\_\_\_\_

held \_\_\_\_\_ of \_\_\_\_\_ the

Signature \_\_\_\_\_

Attending \_\_\_\_\_

Member/Proxy

Note:

1. If you intend to appoint a Proxy, please complete the Proxy Form and deposit it either at the company's Registered Office or Corporate office i.e. D-95 Sector-63, Noida at least 48 hours before the meeting.
2. Shareholder/Proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and hand it over at the entrance duly signed.
3. Person desiring to attend the meeting should bring his/her copy of the Annual Report for reference at the meeting.

**NAINA SEMICONDUCTOR LIMITED**

Regd. Office : Village PadampurDevalia

P.O. MotaHaldu (Haldwani), Dist.Nainital (Uttarakhand)

**PROXY FORM**

I/We \_\_\_\_\_

\_\_\_\_\_ of \_\_\_\_\_ in \_\_\_\_\_ the \_\_\_\_\_ District \_\_\_\_\_ of

being \_\_\_\_\_ a \_\_\_\_\_ member \_\_\_\_\_ of \_\_\_\_\_ NainaSemiconductor \_\_\_\_\_ Limited  
holding \_\_\_\_\_ Ordinary \_\_\_\_\_ share(s) \_\_\_\_\_ hereby \_\_\_\_\_ appoint

\_\_\_\_\_ of \_\_\_\_\_  
in \_\_\_\_\_ the \_\_\_\_\_ District \_\_\_\_\_ of \_\_\_\_\_ or \_\_\_\_\_ failing

him/her \_\_\_\_\_ of \_\_\_\_\_ in the  
Dist. of \_\_\_\_\_ my/our proxy to vote for me/us on

my/our behalf at the nineteenth Annual General Meeting of the Company to be held on Tuesday the 9  
Aug 2016, and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016.

Signature \_\_\_\_\_

Name \_\_\_\_\_

Affix  
Rupees  
One  
Revenue  
Stamps