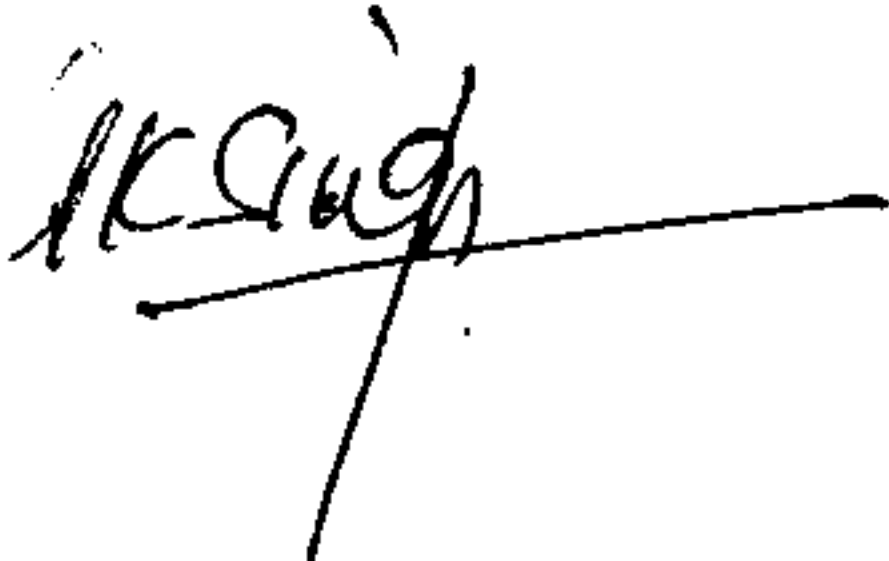




## FORM A

### 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, 2017
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	

XXXXXX



*Annual  
Report*

2016-2017

**Linaks Microelectronics Limited**



Annual Report 2016-2017

LINAKS MICROELECTRONICS LIMITED

LINAKS MICROELECTRONICS LTD.

(CIN: L32101UP1986PLC007841)

Regd. Office:

12.6 Km. Barabanki Road, Chinhat,

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

S.R. Gupta & 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.  
Phiroze Jeejeebhoy Towers, 28th Floor,  
Dalal Street, Mumbai-400 023.
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.



Annual Report 2016-2017

**NOTICE TO THE MEMBERS**

Notice is hereby given that the Thirty Second Annual General Meeting of LINAKS MICROELECTRONICS LTD. will be held at the registered office of the Company at 12.6 km. Barabanki Road, Chinhat, Lucknow on Thursday the 28<sup>th</sup> September, 2017 at 11:00 a.m. to transact the following business:

**ORDINARY BUSINESS**

- To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2017, the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
- To appoint a Director in place of Mrs. Meena Singh (DIN: 02775239), who retires by rotation, and being eligible offers herself for reappointment.
- To appoint a Director in place of Dr. Gautam Singh (DIN: 00189284), who retires by rotation, and being eligible offers himself for reappointment.
- 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 thereunder, THAT M/s Jaiswal Singh & Co. (Firm Registration No. 011049C), Chartered Accountants, Kanpur, be and are hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the 37th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting) and THAT the Board of Directors of the Company be and is hereby authorized to fix their remuneration in consultation with them."

By Order of the Board  
(Anil Kumar Singh)  
Managing Director  
DIN: 00225518

Place: Lucknow  
Date: 28.07.2017

**NOTES**

- 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.
- The Register of members and share transfer books shall remain closed from 22.09.2017 to 28.09.2017 (both days inclusive).
- Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No.
- 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.
- 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.
- 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.
- 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.
- The members are requested to get their shares dematerialized. The company's ISIN Code is INE028C01027.
- 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

**LINAKS MICROELECTRONICS LIMITED**

their concerned Depository Participants. Members who hold shares in physical form are requested to send their e-mail address to Company's email ID [iinakspcb@yahoo.com](mailto:iinakspcb@yahoo.com) or RTA's email ID [beetalrta@gmail.com](mailto: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.

- (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 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 25.09.2017  
End of e-voting : Up to 05.00 P.M. on 27.09.2017

E-voting shall not be allowed beyond 05.00 P.M. on 27.09.2017. 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 21.09.2017.

- 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.
- The company has appointed Ms. Divya Matah, as 'scrutinizer' for conducting and scrutinizing the e-voting process in a fair and transparent manner.
- 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.
- "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.
- 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.
- 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)
- 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
Mrs. Meena Singh	02775239	31.07.1950	30.01.2015	BA
Dr. Gautam Singh	00189284	06.10.1953	20.11.1996	MBBS

Experience in specific functional areas	Directorships 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, 2017
5	6	7	8
Twelve Years	NIL	NIL	1420880
Thirty Nine Years	NIL	NIL	132240

**DIRECTORS' REPORT**

To,  
The Members,  
Linaks Micro Electronics Ltd.  
Your Directors present their Thirty Second Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

**1. FINANCIAL SUMMARY OF THE COMPANY**

The summarized financial results of the Company are as under:

(Rs. In Lacs)

Particulars	2016-2017	2015-2016
Sales and other income	64.60	18.21
Profit Before Interest and Depreciation	-36.13	-156.93
Finance Charges	1.16	0.00
Gross Profit	-37.29	-156.93
Provision for Depreciation	20.09	31.07
Profit before extraordinary items	-57.38	-188.00
Extraordinary items	0.00	99.34
Net Profit Before Tax	-57.38	-88.66
Provision for Tax	0.00	0.00
Net Profit After Tax	-57.38	-88.66
Balance of Profit brought forward	-2168.53	-2079.87
Balance available for appropriation	-2225.91	-2168.53
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	-2225.91	-2168.53

**1. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR**

The first half of the year under review was mostly taken up in getting vendor approval and putting the Quality systems in place. The Company also got its ISO 9001 certification revived. During the second half of the year under review, the Company made its initial break-through in the LED Lighting segment and successfully executed orders for Metal Core PCB. Company's capacity utilisation is yet to touch the cash break-even level. However, your Directors are confident of making the cut in the coming year.

**2. 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 NIL as the process of trans-locating its factory of the Company from 12.6 km Barabanki Road, Chihat, Lucknow to Near Railway Crossing Safedabad, Lucknow Barabanki Road, Safedabad, Barabanki is still not 100% completed..

There was no foreign exchange inflow. However, the Company had an expenditure of foreign exchange equivalent to Rs. 31.27 lacs (previous year Rs. NIL) on account of purchase of raw material, Rs. 7.47 lacs (previous year Rs. 10.40 lacs) on account of purchase/advance for purchase of machinery/machinery parts/spares and Rs. NIL (previous year Rs. 8.10 lacs) towards travelling.

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

The Company is in the initial phases of its rehabilitation and the current focus is to get the machines refurbished and running for the production to smoothen. Some balancing equipments have been imported and added to bring the capabilities to near current levels so as to minimize the risk of obsolescence.

**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**

In terms of the provision of Section 139 of the Companies Act, 2013 and the Rules made there under, M/s S.R. Gupta & Co., Chartered Accountants, Kanpur, the then existing Auditors, were appointed as Statutory Auditors of the Company for a block period of 03 years in the Annual General Meeting held on 30.09.2014, which comes to an end from the conclusion of the forthcoming Annual General Meeting. The Company has to appoint another firm of Auditors in place of the retiring auditors. M/s Jaiswal Singh & Co. (Firm Registration No. 011049C), Chartered Accountants, Kanpur were approached and they have since consented to act as auditors of the Company for a block period of 05 years 2017-18 to 2021-22, i.e. till the conclusion of the 37th Annual General Meeting of the Company. The Company has received a certificate from the above Auditors to the effect that if they are appointed, 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/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 there has been no change amongst directorships of the Company. Further, Mrs. Meena Singh and Dr. Gautam Singh are persons, who have 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 terms of their offices are liable to retire by rotation at the forthcoming Annual General Meeting. However, they are eligible for their 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. Udai Bhan Singh – Independent Director
- c. Mr. Anil Kumar Singh – Managing Director

The Company has established a vigil mechanism and oversees 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: 28.07.2017  
 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 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 05 times i.e. on 29.04.16, 30.05.16, 29.07.16, 28.10.16 & 27.01.17. 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:

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

- a. Mr. Ram Chandra Gaur – Independent Director
- b. Mr. Udai Bhan Singh – Independent Director
- c. 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 30.05.2016, 29.07.2016, 28.10.2016 and 27.01.2017.

**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 31.03.2017.

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 01.04.16-31.03.17		
			Salary & Perquisites	Commission	Total
Mr. Anil K Singh	Managing Director	NIL	7,20,000	NIL	7,20,000
Mr. Udayan Singh	Whole-time Director	NIL	4,80,000	NIL	4,80,000

The Managing Director or Whole-time Directors have not been paid any other benefits, bonuses, stock options, pension, and performance linked incentives.

**Share Transfer & Investor's Grievances Committee:**

The Members of the Share Transfer & Investors' Grievance Committee of the Company are Mr. Udayan Singh, Mr. A.K. Singh and Mr. U.B. Singh. The Committee is authorised to approve transfer of shares and also monitors other investor grievances. The details of the transfers are reported to the Board of Directors. The Meetings were held on monthly basis or as and when required, to consider matters placed before it.

Name	Nos. of Share Transfer committee Meetings	
	Held	Attended
Udayan Singh	1	0
A.K. Singh	1	1
U.B. Singh	1	1

**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
2015-16	12.6 km Barabanki Road, Chinhath, Lucknow	27.09.2016	11.00 A.M.
2014-15	12.6 km Barabanki Road, Chinhath, Lucknow	30.09.2015	11.00 A.M.
01.10.13-31.03.14	12.6 km Barabanki Road, Chinhath, Lucknow	30.09.2014	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 27.09.2016.

**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 28, 2017 at 11.00 a.m. 12.6 km. Barabanki Road, Chinhath, Lucknow-227 105.
Financial Calendar: Results for the quarter ended on 30.06.17 Results for half year ending 30.09.17 Results for the quarter ending 31.12.17 Results for the Quarter ending 31.03.18	On 28.07.2017 (Actual) Last week of October, 2017 (Tentative) Last week of January, 2018 (Tentative) Last week of May, 2018 (Tentative)
Book closure Date Dividend payment Date Stock Exchange where the Company's shares are listed Stock Code at BSE Demat ISIN Numbers in NSDL & CDSL for New Equity Shares of Re.1/- each	22.09.2017 to 28.09.2017 (both days inclusive) N.A. Mumbai 517463 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 later on 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, Phiroze Jeejeebhoy Towers, 28<sup>th</sup> Floor, Dalal Street, Mumbai-400 023, email: [investors@cdslindia.com](mailto:investors@cdslindia.com), website: [www.cdslindia.com](http://www.cdslindia.com).



**Annual Report 2016-2017****Unclaimed Dividends:**

The Company has no unclaimed dividend.

**Market price data:**

Month	Open Price	High price	Low Price	Close Price	No. of shares
Apr'16	0.62	0.68	0.60	0.66	6,182
May'16	0.69	0.69	0.66	0.66	1,400
June'16	0.69	0.72	0.69	0.72	2,800
July'16	NO TRADE				
Aug'16	0.72	0.74	0.64	0.64	6,901
Sept'16	0.67	0.67	0.50	0.52	5,340
Oct'16	0.50	0.50	0.46	0.48	4,182
Nov'16	0.46	0.46	0.44	0.44	17,144
Dec'16	0.46	0.50	0.46	0.50	2,402
Jan'17	0.50	0.52	0.48	0.52	4,600
Feb'17	0.54	0.56	0.54	0.55	2,480
Mar'17	0.55	0.57	0.55	0.57	4,19,284

**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, 2017**

Shareholding of nominal Value of Rs.1/- held	Shareholders		Total Shares	% to Total Shares
	Number	% of Total		
1-5000	4771	96.17	3368241	19.4300
5001-10000	101	2.04	727395	4.1960
10001-50000	57	1.15	1131328	6.5261
50001-100000	16	0.32	1247996	7.1992
100001 & above	16	0.32	10860340	62.6487
<b>Total</b>	<b>4961</b>	<b>100.00</b>	<b>17335300</b>	<b>100.0000</b>

**Shareholding Pattern as on March 31, 2017**

Category	Nos. of Shares	% of Holding
Promoters	9147658	52.77
Mutual Funds & UTI	203200	1.17
Banks, Financial Institutions, Insurance Companies, Govt. Cos. FIs	680000	3.92
Private Corporate Bodies	716281	4.13
OCBs & NRIs	438400	2.52
Venture Capital		
Indian Public	6151783	35.49
<b>Total</b>	<b>17335300</b>	<b>100.00</b>

**LINAKS MICROELECTRONICS LIMITED****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, 2017, 75.25 percent (13044660 Shares) of the Company's total shares were held in dematerialised form while 24.75 percent (4290640 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.  
12.6 km. Barabanki Road,  
Chinhat, Lucknow-227 105.  
Email: [linakspcb@yahoo.com](mailto:linakspcb@yahoo.com)

Phone : 0522-6549493

For &amp; on behalf of the Board of Directors

Place: Lucknow  
Date: 28.07.2017

  
(U.B. Singh)  
Director

  
(Anil K Singh)  
Managing Director



**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31.03.2017**

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	LINAKS 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**

(Rs. in Hundred)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	8209856	937800	9147656	52.77	8209856	937800	9147656	52.77	0
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>	<b>8209856</b>	<b>937800</b>	<b>9147656</b>	<b>52.77</b>	<b>8209856</b>	<b>937800</b>	<b>9147656</b>	<b>52.77</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
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>	<b>0</b>	<b>883200</b>	<b>883200</b>	<b>5.09</b>	<b>0</b>	<b>883200</b>	<b>883200</b>	<b>5.09</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	383971	350800	734771	4.24	365481	350800	716281	4.13	-0.11
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	3919976	1684840	5604816	32.33	3938453	1683240	5621693	32.43	0.1
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	409984	0	409984	2.37	409984	0	409984	2.37	0
c) Others (specify) HUF	114749	0	114749	0.66	115349	0	115349	0.67	0.01
Non Resident Indians	4524	0	4524	0.03	5537	0	5537	0.03	0
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>	<b>4833240</b>	<b>2471240</b>	<b>7304444</b>	<b>42.14</b>	<b>4834804</b>	<b>2469640</b>	<b>7304444</b>	<b>42.14</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>4833204</b>	<b>3354440</b>	<b>8187644</b>	<b>47.23</b>	<b>4834804</b>	<b>3352840</b>	<b>8187644</b>	<b>47.23</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>13043060</b>	<b>4292240</b>	<b>17335300</b>	<b>100</b>	<b>13044660</b>	<b>4290640</b>	<b>17335300</b>	<b>100</b>	<b>0</b>

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	31.3	0	5425500	31.3	0	0
2	RAJESH P SINGH	133300	0.77	0	133300	0.77	0	0
3	RAJENDRAKUMAR 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	8.2	0	1420880	8.2	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	130260	0.75	0	0
15	GAJTAM 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>9147656</b>	<b>52.77</b>	<b>0</b>	<b>0</b>

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	9147656	52.77	9147656	52.77
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	N.A.	N.A.	N.A.	N.A.
	At the end of the year	9147656	52.77	9147656	52.77

D) Share holding 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*	1819908	10.5		
	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			2665480	15.38

# 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 Hundred)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	173	0	173
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	173	0	173
<b>Change in Indebtedness during the financial year</b>				
* Addition	0	16239	0	16239
* Reduction	0	0	0	0
<b>Net Change</b>	0	16239	0	16239
<b>Indebtedness at the end 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

**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/WTD/ Manager				Total Amount
		Anil Kumar Singh	Udayan Singh	----	---	
	<b>Gross salary</b>					
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7200	4800	-	-	12000
	(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>	7200	4800	0	0	12000
	<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/WTD**

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

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

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2017

[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, Chihat,  
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, 2017 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, 2017 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;



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

Place: Lucknow  
Date: 28.07.2017

\*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.

LINAKS MICROELECTRONICS LIMITED

'ANNEXURE A'

To,  
The Members,  
Linaks Micro Electronics Limited  
12.6 KM, Barabanki Road, Chihat,  
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  
Sd/-  
(DIVYA MATAH)  
Practicing Company Secretary  
C P No.: 11719

Place: Lucknow  
Date: 28.07.2017

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 Eastern 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 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

*(Signature)*  
 (U.B. Singh) (Anil K Singh)  
 Director Managing Director

Place: Lucknow  
 Date: 28.07.2017

S.R. GUPTA & CO. 24/24 C, Karachi Khana,  
 Chartered Accountants Kanpur, Ph: (0512) 2353032

**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 2017, 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.

Place: Lucknow  
 Date: 28.07.2017

*(Signature)*  
 S.R. GUPTA & Co.  
 Chartered Accountant  
 (F.R. No. 001939C)  
 K. Gupta  
 Partner  
 Membership No. 14745

**LINAKS MICROELECTRONICS LIMITED**  
 S.R. GUPTA & Co.,  
 Chartered Accountants  
 24/24-C, Karachi Khana,  
 Kanpur (Mob. 9839075175)

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, 2017, 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.

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date.
- c) 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:**

- 1. 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.
- 2. 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.
- 3. As required by Section 143(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 appears from our examination of those books.
  - c) 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.
  - d) 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;
  - e) on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - f) With respect to adequacy of the internal financial control over financial reporting of company and the operating effectiveness of such controls, refer to our separate report in "Annexure-B".

Place: LUCKNOW.  
 Date: 28.07.2017

*(Signature)*  
 For S.R. Gupta & Co.,  
 Chartered Accountants  
 (F.R. No. 001939C)  
 K. Gupta  
 Partner  
 Membership No. 14745

The Annexure-A referred to in our report to the members of Linaks Microelectronics Ltd., for the year Ended on 31.03.2017. We report that:

S. No.	Particulars	Auditors Remark
(i)	(a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	Yes
	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;	Yes, No Material Discrepancies were found.
	(c) whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	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,	No loan is granted.
	(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	NA
	(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	NA
	(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
(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;	YES
	(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).	As per Notes on Account point No. p.
(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 term loans were applied for the purposes for which those	NA

(x)	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

Place: LUCKNOW  
Date: 28.07.2017



**"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, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**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 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

**LINAKS MICROELECTRONICS LIMITED**

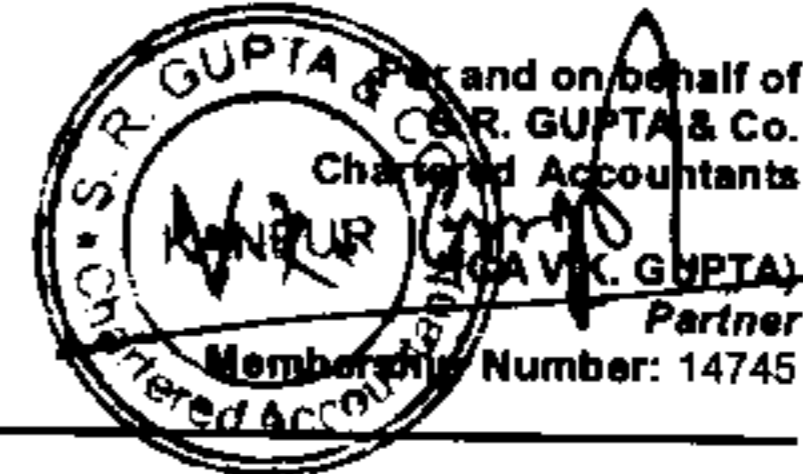
company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**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, 2017, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".



Place: Lucknow  
Date: 28.07.2017

**Linaks Micro Electronics Ltd  
12.6 K M Barabanki Road , Chinhat, Lucknow  
Balance Sheet as at 31.03.2017**

PARTICULARS	NOTE	As at 31st March 2017		As at 31st March 2016	
		Rs. (in huded)	Rs. (In huded)	Rs. (in huded)	Rs. (in huded)
<b>EQUITIES AND LIABILITIES</b>					
Share Holder's Funds					
a) Share Capital	1	495353		495353	
b) Reserves & Surplus	2	-2225912		-2168527	
			-1730559		-1673174
<b>(3) Non-Current Liabilities</b>					
(a) Long-term borrowings					
(b) Other Long term liabilities	3	2354412		2303912	
(c) Long term provisions		0	2354412	0	2303912
<b>Current Liabilities</b>					
a) Short Term Borrowings	4	16412		173	
b) Trade Payables	5	30067		26830	
c) Other current Liabilities	6	220		217	
c) Short Term provisions	7	1617	48316	2205	29425
			672169		660163
<b>ASSETS</b>					
<b>Non Current Assets</b>					
a) Fixed Assets					
I) Tangible Assets	8	470598		449921	
II) Intangible Assets					
ii) Capital Work in Progress	8	0	470598	13030	462951
<b>Current Assets</b>					
a) Inventories	9	62790		44350	
b) Trade Receivables	10	21014		596	
c) Cash & Bank Balances	11	108145		144614	
d) Other current Assets	12	9622	201571	7652	197212
			672169		660163
Significant Accounting Policies					
Notes on Financial Statements					
Note: The notes referred to above form an integral part of the Balance Sheet.					

As per our separate report of even date

For S.R. GUPTA & CO.  
Chartered Accountants  
(F.R. No. 10199)  
(CA V.K. GUPTA)  
PARTNER  
M.No.14745  
Lucknow  
Dated : 28.07.2017



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

For and on behalf of the Board of Directors

(U.B. Singh)  
Director  
DIN: 06650869





Annual Report 2016-2017

LINAKS MICROELECTRONICS LIMITED

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

Statement of Profit and Loss for the year ending on 31.03.2017

As at 31 March 2017

As at 31 March 2016

PARTICULARS	NOTE	CURRENT YEAR Rs. (In Hundred)	PREVIOUS YEAR Rs. (In Hundred)
<b>Income</b>			
Revenue from operations	13	57040	4443
Other Income	14	7563	13771
<b>Total Revenue(i+ii)</b>		<b>64603</b>	<b>18214</b>
<b>Expenditure</b>			
Cost of material Consumed	15	36509	17811
Changes in Inventories of Finished goods and work in process	16	-1731	47234
Employee Benefit Expenses	17	30974	30189
Finance Costs	18	1164	0
Depreciation and Amortisation Expenses	19	20089	31068
Other Expenses	20	34983	79910
<b>Total Expenses</b>		<b>121988</b>	<b>206212</b>
Profit before exceptional and extraordinary items and tax(iii-iv)		-57385	-187998
Exceptional Items		0	0
Profit before extraordinary items and tax (1 - 3)		-57385	-187998
Extraordinary Items	21	0	99338
Profit before Tax		-57385	-88660
Tax Expenses			
Current Tax		0	0
Deferred Tax		0	0
Profit/ Loss for the period from continuing operations.(ix-x)		-57385	-88660
Profit/(loss) from discontinuing operations		0	0
Tax expenses of discontinuing operations		0	0
Profit/(loss) from discontinuing operations after tax (xi-xiii)		0	0
Profit/(loss)for the period (xi+ xiv)		-57385	-88660
Earning per equity Share (of Rs. 1 each)			
(i) Basic (in Rs.)		-0.33	-0.51
(ii) Diluted		-0.33	-0.51

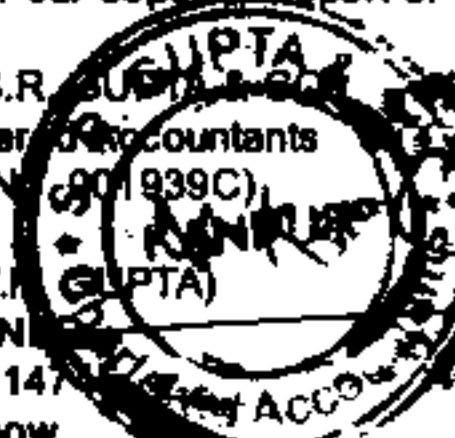
Significant Accounting Policies

Notes on Account

The Schedules referred to above form an integral part of the Profit &amp; Loss Account.

As per our separate report of even date.

For. S.R. GUPTA  
Chartered Accountants  
(F.R. No. 901939C)  
(CA V. GUPTA)  
PARTNER  
M.No.147  
Lucknow  
Dated : 28.07.2017



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

For and on behalf of the Board of Directors

(U.B. Singh)  
Director  
DIN: 06650869



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

PARTICULARS	As at 31st March 2017		As at 31st March 2016	
	Numbers	Rs. (in Hundred)	Numbers	Rs. (in Hundred)
<b>Note</b>				
<b>1 Share Capital Authorised</b>				
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</b>				
Optionally Convertible Preference Share of Rs. 10/- each	3220000	322000	3220000	322000
Equity Shares of Re.1/- each (prev.yr Re 1/- each)	14074000	140740	14074000	140740
Equity Shares of Re.1/- each Issued as fully paid up pursuant to a contract without payment being received in cash (prev.yr Re. 1/- each)	336600	3366	336600	3366
Equity Shares of Re.1/- each Issued as fully paid up Bonus Shares (prev.yr Re. 1/- each)	2924700	29247	2924700	29247
<b>Subscribed &amp; Paid up</b>				
Optionally Convertible Preference Share of Rs.10/-each	3220000	322000	3220000	322000
Equity Shares of Re.1/- each (prev.yr Re.1/- each)	14074000	140740	14074000	140740
Equity Shares of Re.1/- each Issued as fully paid up pursuant to a contract without payment being received in cash (prev.yr Re. 1/- each)	336600	3366	336600	3366
Equity Shares of Re.1/- each Issued as fully paid up Bonus Shares (prev.yr Re.1/- each)	2924700	29247	2924700	29247
<b>Total</b>	<b>20555300</b>	<b>495353</b>	<b>20555300</b>	<b>495353</b>

1.1 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	% to total paid up capital
A. ANIL KUMAR SINGH	5425500	31.30	5425500	31.30
B. MEENA SINGH	1420880	8.20	1420850	8.20

1.2 A. statement of changes in equity

Balance at the beginning of the reporting Period	Changes in the equity share capital during the year.	Rs. In Hundreds) Balance at the end of the reporting period
173353	0	173353
B, Other Equity There has been NIL change in the other equity.		
Balance at the beginning of the reporting Period	Changes in the equity share capital during the year.	Balance at the end of the reporting period
322000	0	322000

**LINAES MICROELECTRONICS LIMITED**  
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(Rs. in Hundred)

Note 2	As at 31st March 2017	As at 31st March 2016	Note 9	As at 31st March 2017	As at 31st March 2016
<b>Reserves &amp; Surplus</b>			<b>Inventories</b>		
a. Capital Reserves			a. Raw Materials and components (Valued at cost or net realisable value ,which ever is lower.	23062	6930
Opening Balance	310490	310490	Total	23062	6930
(+) Current Year Transfer		0	b. Work-in-progress (Valued at Input plus cost of conversion charges)	1977	246
(-) Written Back in Current Year			Total	1977	246
Closing Balance	310490	310490	c. Finished goods (Valued at Cost or net realisable value whichever is lower.)	0	0
b. Securities Premium Account			Total	0	0
Opening Balance	192771	192771	d. Stock-in-trade (Valued at Cost or net realisable value ,which ever is lower.		
Add : Securities premium credited on Share issue		0	Total	15540	14963
Less : Premium Utilised for various reasons			e. Stores and spares (Valued at Cost or net realisable value whichever is lower.)		
Premium on Redemption of Debentures			Total		
For Issuing Bonus Shares			f. Loose Tools (Valued at Cost or net realisable value whichever is lower.)		
Closing Balance	192771	192771	Total		
c. Surplus			g. Others (Specify nature)		
Opening balance	-2671788	-2583128	Land ( valued at cost)	22211	22211
(+) Net Profit/(Net Loss) For the current year	-57385	-88660	Total	22211	22211
(+) Transfer from Reserves			<b>Total</b>	<b>62790</b>	<b>44350</b>
(-) Proposed Dividends					
(-) Interim Dividends			<b>Note 10</b>		
(-) retained earning	0	0	<b>Trade Receivables</b>		
(-) Transfer to Reserves-Reduction in Share Capital			a. Short term trade receivables Secured, considered good Unsecured, considered good Doubtful	21014	596
Closing Balance	-2729173	-2671788	Less: Provision for doubtful debts	0	0
<b>Total</b>	<b>-2225912</b>	<b>-2168527</b>	<b>Total</b>	<b>21014</b>	<b>596</b>
<b>Note 3</b>			<b>Note 11</b>		
<b>Other Long Term Liabilities</b>			<b>Cash &amp; Cash Equivalents</b>		
(b) Others	2354412	2303912	Cash in hand	3774	6098
<b>Total</b>	<b>2354412</b>	<b>2303912</b>	Bank Accounts	3647	8696
			FDR With Bank	100724	129820
			<b>Total</b>	<b>108145</b>	<b>144614</b>
<b>Note 4</b>			<b>Note 12</b>		
<b>(a) Short Term Borrowings</b>			<b>Other Current Assets</b>		
Unsecured			Security Deposits	1350	1000
(a) Loans repayable on demand from banks vijya bank	15942		PLA Advance	2088	0
from other parties - Director (of the above, NIL is guaranteed by Directors and / or others)		173	Vat On Capital goods	2488	2292
(b) Loans and advances from related parties	470	0	Loans & Advances	1320	1810
from A K Singh Managing Director (of the above, NIL is guaranteed by Directors and / or others)			Pre Paid Expenses	697	537
Total	<b>16412</b>	<b>173</b>	Vat On raw Material	0	126
			T D S	1679	1887
			<b>Total</b>	<b>9622</b>	<b>7652</b>
<b>Note 5</b>			<b>Note 13</b>		
Trade Payable	30067	26830	<b>Revenue from operations</b>	57040	4443
<b>Total</b>	<b>30067</b>	<b>26830</b>		57040	4443
<b>Note 6</b>			<b>Note 14</b>		
<b>Other Current Liabilities</b>			<b>Other Income</b>		
TDS Payable	220	217	Interest Received	7563	13771
<b>Total</b>	<b>220</b>	<b>217</b>		7563	13771
<b>Note 7</b>					
Short Term Provision					
Salary & Remuneration	1617	2205			
<b>Total</b>	<b>1617</b>	<b>2205</b>			

Note No. 8 FIXED ASSETS

Fixed Assets	Gross Block Balance as at 31 March 2016	Additions/ (Disposals)	Acquired through business combinations	Adjustments	Balance as at 31 March 2017	Accumulated Depreciation UP TO 31.03.2016	Depreciation change for the year	Adjustment		Net Block	
								Due to revaluations	On disposals	Depreciations Balance as at 31.3.2017	Balance as at 31 March 2016
	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
<b>a</b>											
<b>Tangible Assets</b>											
Buildings	42385143.84	2198843.88			44583988.64	17861942.49	429506.66			18291449.14	24533201.15
car	1754729.44				1754729.44	69456.04	206374.12			277832.16	1685271.40
Plant and Equipment	162757232.19	1736863.60			164494096.79	144415063.53	1294472.61			145708536.14	18342268.66
Assets under lease											
Furniture and Fixtures	1475194.76				1475194.76	1387269.99	438.43			1387708.42	77486.34
Assets under lease											
Vehicles											
Assets under lease											
Office equipment	3758680.62	58400.00			3818080.62	3406236.95	73914.75			3480151.70	353453.67
Assets under lease											
Others (specify nature)		82540.00			82540.00		2178.14			2178.14	0.00
computers											
<b>Total</b>	<b>212141990.65</b>	<b>4076946.60</b>	<b>0.00</b>	<b>0.00</b>	<b>216218637.25</b>	<b>167148971.00</b>	<b>200884.70</b>	<b>0.00</b>	<b>0.00</b>	<b>169168655.70</b>	<b>44892119.65</b>
<b>b</b>											
<b>Capital Work in Progress</b>	<b>1303041.00</b>	<b>975522.00</b>		<b>2278563.00</b>	<b>0.00</b>						<b>1303041.00</b>
<b>Total</b>	<b>213445031.65</b>	<b>5052168.60</b>	<b>0.00</b>	<b>2278563.00</b>	<b>216218637.25</b>	<b>167148971.00</b>	<b>200884.70</b>	<b>21355103.30</b>	<b>0.00</b>	<b>161343416.34</b>	<b>46295160.65</b>
											<b>47058781.55</b>

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Note 15 Cost of material Consumed	As at 31st March	As at 31st March
	2017	2016
Opening Stock	6930	18399
Purchases	52641	6342
	59571	24741
Less Consumed	-36509	-17811
Closing Bal	23062	6930

Note 16 Changes In Inventories of Finished goods, Stock in trade and Stock in Process	As at 31st March	
	2017	2016
Opening Balance		
WIP	246	33280
Finished Goods	0	14200
Total WIP+ Finished Goods	246	47480
Closing Bal. I		
WIP	1977	246
Finished Goods	0	0
	1977	246
Change in Inventory	-1731	47234

Note 17 Employee benefit expense	As at 31st March	
	2017	2016
Salary To Director	12000	12000
Employer cont. FPF	824	794
Employer cont. ESI	476	398
Employer cont. PF	498	315
Salary & Wages	16655	16266
Staff welfare exp	521	416
	30974	30189

Note 18 Finance Costs	As at 31st March	
	2017	2016
Interest	1164	0
Total Fin. Cost	1164	0

Note 19 Depreciation and Amortisation Expenses	As at 31st March	
	2017	2016
Depreciation	20089	31067
	20089	31067

Note 20 Other Expenses	As at 31st March	
	2017	2016
Audit Fee	345	286
Bank Charges	361	390
Advertisement Exp.	926	1415
Conveyance Expenses	908	965
Courier Expenses	99	41
Diesel Expenses	1013	259
Packing expenses	51	0
Insurance Charges	894	1210
internet	77	0
Journal Books & Periodicals	76	0
Legal Expenses	132	5055
Freight & cartage	1029	520
Misc Expenses	622	656
Postage & Telephone Exp.	559	870
Printing & Stationery	1197	1028
Rate & Taxes		100
Repairs & Maintenance	5164	4642
Amt writton Off		18114
Assets Writton Off		26999
Travelling Expenses foreign		8102
Professional charges	2229	0
Sebi & share Depository Exp	3190	0
Fax Charges	0	0
Rent Factory	1782	1622
vech. Running & maintenace	1783	0
Round Off	3	0
Internal Audifees	345	344
Electric Expenses	8224	3526
Telephone Expenses	556	746
Travelling Expenses	3187	3020
Subscription & Membership Fees	231	0
<b>TOTAL</b>	<b>34983</b>	<b>79910</b>

Note 21 Liabilities written back:	As at 31st March	
	2017	2016
Old creditors more that 15 yrs. Old written back	0	99338

**CASH FLOW STATEMENT FOR 2016-2017**

A. CASH FLOW OPERATING ACTIVITIES:	As at 31.03.17	As at 31.3.16
	(Rs. in lacs)	(Rs. in lacs)
Net profit before tax and extraordinary Items	-201.77	-148.05
Net profit before tax and extraordinary Items	-63.78	-201.77
<b>Items Adjustment for:</b>		
1. Depreciation	20.09	31.07
2. Asstes writton off	0.00	27.00
2. Foreign Exchange		
3. Investments		
4. Interest/Dividend	-1.16	
Operating profit before working capital	-44.85	-143.70
<b>Change adjustment for:</b>		
1. Trade and other receivables	-22.96	18.65
2. Inventories	-17.86	58.70
3. Trade and other payables	15.64	1.35
Cash generated from operations	-70.03	-65.00
Interest Received	7.56	13.77
Direct taxes paid	-62.47	-51.23
<b>CASH FLOW BEFORE EXTRAORDINARY ITEM:</b>		
1. Extra ordinary Items( creditors written off)	0	99.34
Decrease in Share capital		
Increase in reserves		
2. Expenses pertaining to previous year		
3. Net Cash from operating activities	-62.47	99.34
<b>B. CASH FROM INVESTMENT ACTIVITIES</b>		
Purchase of fixed assets	-27.73	-109.00
Net Cash used in investing activities		
Total	-90.20	-109.00
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Unsecured Loans	53.74	50.21
Repayment of finance/lease liabilities	0	-5.25
Increase in Cash credit borrowings		
Waiver of loans		
payment of unsecured Loans		
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	53.74	44.96
Net increase in cash and cash equivalent	-36.46	-15.93
Cash and cash Equivalents as at-1.04.16	144.61	
(Opening Balance)	0	160.54
Cash and cash Equivalents as at 31.03.17	108.15	144.61
Closing Balance		

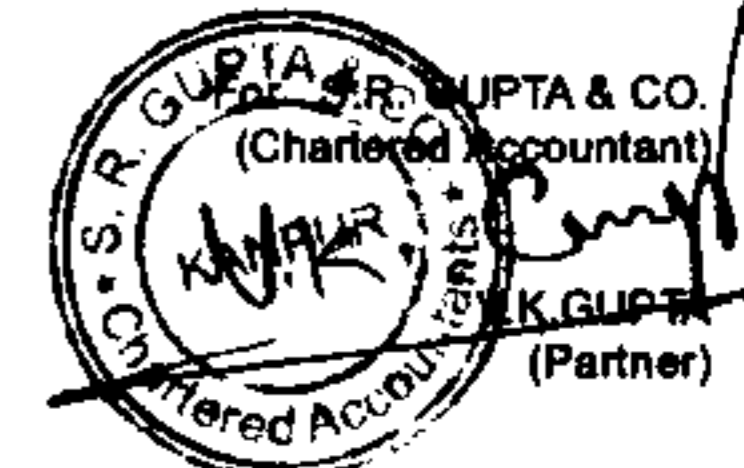
PLACE : Lucknow  
Date : 28.07.2017

U.B. Singh  
DIRECTOR

ANIL K. SINGH  
Managing Director

**AUDITORS' REPORT**

We have checked the attached cash flow statement of Linaks Microelectronics Ltd. for the year ended March 31, 2017 from the books & records maintained by the company in the ordinary course of business and have found in accordance therewith.



Place: Lucknow  
Date : 28.07.2017

NOTES ON ACCOUNTS

Significant Accounting Policies

a. 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.

b. FIXED ASSETS:

Fixed Assets are stated at cost of acquisition less accumulated depreciation. In Cases of Assets borrowed against foreign currency loan, any change, due to Exchange rate has been correspondingly adjusted in the cost of assets. Building is constructed on rented land.

c. 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.

d. 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.

e. INVENTORIES:

- i. Raw Material, stores and spares are valued at cost or net realisable value, which ever is lower.
- ii. Work in progress is valued at the cost of inputs plus part of conversion charges as applicable.
- iii. 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 :  
Purchase of Machine & spare parts & stores : Rs 7.41 (prev. Year Rs 10.40 Lac)  
Purchase of Raw Material Rs 31.27 Lac (Prev. Year Nil)  
Travelling Rs Nil (Pre. Year Rs 8.10lac)

g. Sales

- i. Sales exclude Excise Duty Wherever applicable.
- ii. 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:

	2016-2017	2015-16
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	17335300
Net Loss during the year (Rs. in lacs)	-57.38	-88.66
Earning/loss per share (in Rs.)	-0.33	-0.51

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.720000.00 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.

- m. i) As the approved rehabilitation scheme recommends waiver of all overdue interest charges on the delayed payment of deferred UPTT and CST dues so no interest provision has been made
- ii) Necessary adjustment has been made to show the Fixed Assets as per AS10.

n. CONTINGENT LIABILITIES:

- i. Estimated amount of contracts remaining to be executed on Capital Account NIL. (Previous year NIL)
  - ii. Outstanding Letters of Credit Rs. NIL Lac (Previous year Rs. NIL)
  - iii. Outstation Cheques purchased by bank but not cleared till the date of Balance Sheet Rs. Nil (Previous Year Rs. Nil Lac).
  - iv. Disputed demand for Rs.63.35 lac (Previous Year 63.35lacs) excluding interest, for Sales Tax, is in appeal and pending before different authorities.
- o. 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.

LINAKS MICROELECTRONICS LIMITED

p. Details of litigated Sales Tax assessments under appeal and finalisation

Serial Number	Financial Year	Provincial Disputed Amount	Central Disputed Amount
1	1993-94	Nil	Rs 1,52,559.00
2	1994-95	Rs 1,41,955.45	Rs 75,369.00
3	1995-96	Rs 6,10,018.00	Rs 12,22,323.00
4	1996-97	Rs 3,82,600.00	Rs 1,01,628.90
5	1997-98	Rs 4,57,577.00	Rs 4,94,262.00
6	1999-00	Rs 92,025.00	Rs 87,611.00
7	2000-01	Rs 4,81,957.00	Rs 7,81,350.55
8	2001-02	Rs 92,204.29	Rs 8,77,018.00
9	2002-03	Nil	Rs 2,84,919.40

Income Tax Order for the asstt. Year shows a demand of Rs. Nil but assessing authority has not allowed current year loss for Rs. 47,81,259 plus carried forward depreciation and allowances. Matter is pending under appeal.

q. (a) CONSUMPTION OF RAW MATERIAL

	2016-17		2015-16	
	Qty	Rs. Lacs	Qty	Rs. Lacs
(i) Copper clad Laminates	1485 sqmtrs	21.53	268 sqmtrs	2.50
(ii) Exit Entry Sheet	Nil	Nil	Nil	Nil
(iii) Liquid Chemicals	1450 ltrs	1.78	160ltr	0.25
(iv) Solid Chemicals	1020 ltrs	3.06	140ltr	0.40
(v) Others		10.14		0.28

(b) RAW MATERIALS IMPORTED & INDIGENOUS

	2016-17	2015-16
	Rs. Lacs	Rs. Lacs
Imported	22.00	0
Indigenous	14.51	6.34

r. (a) OPENING & CLOSING STOCK OF FINISHED GOODS

	2016-17		2015-16	
	Qty.(sqm)	Rs. Lacs	Qty.(sqm)	Rs. Lacs
Opening Stock	Nil	14.20	328.00	14.20
Closing Stock	Nil	Nil	Nil	Nil

(b) SALES

	2016-17	2015-16
	57.04	4.44

s. Printed Circuit Boards

t. DETAILS OF LICENSED & INSTALLED CAPACITIES AND PRODUCTION (In Sq Mtrs)

	Installed Capacities		Licensed Capacities	
	2016-17	2015-16	2016-17	2015-16
(i) Installed Capacity				
Single Sided Glass Epoxy PCB	5000	5000	5000	5000
Single Sided paper Phenolic (plated and blanked)	10000	10000	10000	10000
Double Sided non-PTH PCB	500	500	500	500
Double Sided PTH PCB	48000	48000	48000	48000
MLB 4 Layer	5000	5000	5000	5000
MLB 6 Layer	3000	3000	3000	3000
[All the equipments have not been fully installed]				
(ii) Actual Production	2016-17		2015-16	
Printed Circuit Boards	1365.00 sq mtrs		sq mtrs.0	

u. PARTICULARS OF REMUNERATION OF DIRECTORS

	2016-17	2015-16
Salary	1200000	1200000
No other perquisites given to Directors		

v. 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

w. PAYMENTS MADE TO AUDITORS

	2016-17	2015-16
Audit fee	30000.00	25000.00
Service tax @ 15%	3625.00	3500.00
Reimbursement out of pocket exp.	0	0

x. As per Notification No. GSR308 (E) (F.17/62/2015-CL-V.(VOL.I)) DT. 30.03.17, the details of Specified Bank Notes (SBN) held and transacted during the period from 08.11.2016 to 30.12.16 are as under:

	SBN	Other Denomination	Total
	Rs.		Rs.
Closing Cash in hand as on 8.11.16	198000	35568	233568
(+) Permitted Receipts		748000	748000
(-) Permitted Payments		267413	267413
(-) Amount deposited in Banks	198000		198000
Closing cash in hand on 30.12.16	0.00	516155	516155

y. Previous year figures have been regrouped and rearranged where ever required to make with current period's figures.



(U.B. Singh)  
Director

(Anil K Singh)  
Managing Director

## LINA KS 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.nsd.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.nsd.com](http://www.evoting.nsd.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 Thursday, 21<sup>st</sup> September, 2017, 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 Monday, 25<sup>th</sup> September, 2017 and will end at 5.00 p.m. on Wednesday, 27<sup>th</sup> September, 2017. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21<sup>st</sup> September, 2017, 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 21<sup>st</sup> September, 2017.
- 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. 21<sup>st</sup> September, 2017 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 "Forget User Details/Password" option available on [www.evoting.nsd.com](http://www.evoting.nsd.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.

Place: Lucknow

Date : 28.07.2017

By Order of the Board  
  
 (Anil Kumar Singh)  
 Managing Director  
 DIN: 00225518



Annual Report 2016-2017

LINAKS MICROELECTRONICS LIMITED



**LINAKS MICROELECTRONICS LTD**  
Regd.Off: 12.6 km Barabanki Road,  
Chinhat, Lucknow-227105  
CIN: L32101UP1986PLC007841

**32<sup>nd</sup> Annual General Meeting  
ATTENDANCE SLIP**

I hereby record my presence at the 32<sup>nd</sup> Annual General Meeting of the Linaks Micro Electronics Ltd., 12.6 KM Barabanki Road, Chinhat, Lucknow, on Thursday, the 28<sup>th</sup> September, 2017.

Member's Folio/DP ID-Client ID No	Member's/Proxy's name in Block Letters	Member's/Proxy's Signature
<b>ELECTRONIC VOTING PARTICULARS</b>		
<b>Electronic Voting Event Number (EVEN)</b>	<b>User ID</b>	<b>Password</b>

Note:

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) 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: .....  
E-mail Id : .....

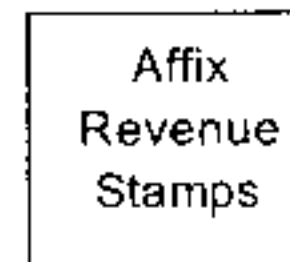
as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32<sup>nd</sup> Annual General Meeting of the company, to be held on the 28<sup>th</sup> day of September, 2017 at 11.00 a.m. at Lucknow and at any adjournment thereof in respect of such resolutions as are indicated 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, 2017		
2.	Re-appointment of Mrs. Meena Singh as Director		
3.	Re-appointment of Dr. Gautam Singh as Director		
4.	Appointment of M/s Jaiswal Singh & Co., Chartered Accountants as Statutory Auditors & fixing their remuneration		

\* Applicable for investors holding shares in Electronic form.

Signed this \_\_\_\_ day of \_\_\_\_ 2017.



Signature of Shareholder

Signature of Proxy holder

Signature of the shareholder  
across Revenue Stamp

Note:

- 1) 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.
- 2) The proxy need not be a member of the company.
- 3) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.