

XXXIV



Annual Report

2018-2019

Linaks Microelectronics Limited



LINAKS MICROELECTRONICS LTD.

(CIN: L32101UP1986PLC007841)

Regd. Office:

12.6 Km. Barabanki Road, Chihat,

Lucknow-227 105.

BOARD OF DIRECTORS

Mr. Anil K Singh (DIN:00225518)	-Managing Director
Mr. U.B. Singh (DIN: 06650869)	- Independent Director
Mrs. Meena Singh (DIN: 02775239)	- Director
Mr. Ram Chandra Gaur (DIN: 02317264)	Independent Director
Mr. Jai Ram Singh (DIN : 08356669)	Independent Director

AUDITORS

Jaiswal Singh & Co.
(Chartered Accountants)

Secretarial Auditors
Divya Matah & Associates
(Practicing Company Secretaries)

Company Secretary

Ms. Deepti Bammi

Chief Financial Officer

Mr. Girish Chandra Jha

BANKERS

Vijaya Bank

SHARE HOLDERS' INFORMATION

SHARE TRANSFER ARRANGEMENT AND

DEMATERIALISATION STATUS OF SHARES

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

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

STOCK EXCHANGE (WHERE COMPANY'S SHARES ARE LISTED)

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



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ANNUAL GENERAL MEETING NOTICE 2019

Notice is hereby given that the 34th Annual General Meeting of M/S LINAKS MICROELECTRONICS LIMITED will be held at its Registered Office of the Company at 12.6 K.M., Barabanki Road, Chintahat, Lucknow – 227105 on Monday, the 23rd day of September, 2019 at 11:00 a.m. to transact the following business:

ORDINARY BUSINESSSES:

1. To consider and adopt the Financial Statements of the Company for the financial year ended 31st March, 2019, Statement of Profit & Loss and Cash Flow Statement and Notes thereto for the financial year ended on March 31, 2019 together with the Report of the Board of Directors and Auditors' thereon and, to consider and pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT the Financial Statements of the Company for the financial year ended 31st March, 2019, the Statement of Profit & Loss and Cash Flow Statement for the said financial year and the Reports of the Board of Directors and the Auditors thereon laid before the 34th Annual General Meeting of the members of the Company, be and are hereby received, considered and adopted."

2. To appoint a director in place of Mrs. Meena Singh, who retires by rotation and being eligible, offers herself for re-appointment and, to consider and pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT, Mrs. Meena Singh (DIN- 02775239) who retires by rotation under Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred as 'the Act') and the Rules made thereunder read with the Articles of Association of the Company, at the conclusion of 34th Annual General Meeting of the members of the Company, and being eligible, has offered herself for re-appointment, be and is hereby re-appointed as a Director on the Board of the Company, whose period of office shall be liable to retire by rotation."

3. To ratify the appointment of M/s. Jaiswal Singh & Associates, Kanpur, as statutory auditors for the remaining term and, to consider and pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the members of the company do hereby ratify the appointment of M/s. Jaiswal Singh & Associates, Kanpur, Chartered Accountants (Firm Registration No 011049C), as the Statutory Auditors of the Company for remaining term, from the conclusion of 34th Annual general meeting of the Company till the conclusion of 37th Annual general meeting of the Company, on such remuneration plus Goods and service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the said Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

SPECIAL BUSINESS:

4. To consider passing of the resolution as a Special resolution:-

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to the provisions of sub-regulation 1A of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Jai Ram Singh (DIN – 08356669) who was appointed as an Additional Director AND Non- Executive Independent Director and who holds office upto the date of this AGM, the consent of the members of the Company, be and is hereby accorded for appointment of Mr. Jai Ram Singh (DIN – 08356669) aged about 73 years as an Non- Executive and Independent Director of the Company for a term of five years w.e.f. 12th February,

LINAKS MICROELECTRONICS LIMITED

2019 and whose office shall not be liable to retire by rotation during the period, and to receive the remuneration, within the permissible limits of Section 197 of the Companies Act 2013 as determined by the Board, from time to time.

"RESOLVED FURTHER THAT Mr. Jai Ram Singh shall not be liable to retire by rotation and shall hold office until he resigns".

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

**By order of the Board
For Linaks Microelectronics Limited**

**Deepti Bammi
Company Secretary**

**Place: Lucknow
Dated: 07.08.2019**

Note

1. A member entitled to attend and vote at the above meeting may appoint one or more proxies to attend and vote instead of himself. The proxy need not be member of the company. Proxy to be valid shall be deposited with company not later than 48 hours before the time for holding the meeting.
2. A person can act as proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder. As per the Listing Agreement with stock Exchange, the brief resume, functional expertise of the directors proposed for reappointment is annexed as **Appendix-A**.
3. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business is annexed.
4. The register of Members and share transfer books of the Company will remain closed from 17th September, 2019 to 23rd September, 2019 (both days inclusive).
5. Shareholders are requested to intimate to the Company or to the Share Transfer Agent of the Company, M/s. Beetal Financial and Computer Services Pvt. Ltd., change if any, in their registered addresses and also to **provide their mailing address** for quick response.
6. Members are requested to bring their copies of the Report and Accounts to the meeting.
7. Members who require any information about the accounts to be explained in the meeting are requested to inform the Company about the intended query at least seven days in advance of the meeting.
8. The copy of annual report, notice of general meeting, notice of e-voting, etc. are being sent to the members through e-mail who have registered their email IDs with their depository participant (DPs) / Company's Registrar and Transfer Agent (RTA).
9. Members are requested to update their preferred e-mail ids with the Company / DPs / RTA, which will be used for the purpose of future communications.
10. Members whose e-mail ID is not registered with the Company will be sent physical copies of Annual Report, notice of e-voting etc. at their registered address through permitted mode.
11. Annual Report will also be available in the Resource Center section of the website of the Company at **www.linaks.com**.
12. Members are requested to opt for electronic mode of communication and support the Green initiatives of the Government. Pursuant to Section 108 of the Companies Act, 2013, the Company provides e-voting facility to the members to exercise their voting right. The process and manner of voting containing detailed instructions is **given below in point no.13**.
13. **Voting through electronic means**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as amended from time to time and Regulation 44(1) of SEBI (LODR)

Regulations, 2015, the Company is pleased to provide to the members the facility to exercise their right to vote on resolutions proposed to be considered at the 34th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

The Notice of the Annual General Meeting AGM of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or (www.linaks.com). The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The e-voting period commences on September 20, 2019 (10:00 am) and ends on September 22, 2019 (5:00 pm). During this period shareholders of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. The instructions for Voting through electronic means are as under:

The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 16th September, 2019. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 16th September, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or (beetalra@gmail.com).

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The procedure to login to e-Voting website consists of two steps as detailed hereunder:

Step 1: Log-in to NSDL e-Voting system

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/>.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details will be as per details given below :
 - a) For Members who hold shares in demat account with NSDL: 8 Character DP ID followed by 8 Digit Client ID (For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****).
 - b) For Members who hold shares in demat account with CDSL: 16 Digit Beneficiary ID (For example if your Beneficiary ID is 12***** then your user ID is 12*****).
 - c) For Members holding shares in Physical Form: EVEN Number followed by Folio Number registered with the company (For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***).
5. Your password details are given below:
 - a. If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b. If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c. How to retrieve your 'initial password'?
 - i. If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and

open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

- ii. If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a. Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b. "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c. If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d. Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically on NSDL e-Voting system

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of the Company.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to (divya.matah@gmail.com) with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

Please note the following

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the



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employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith

Other information

- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

**By the Order of the Board
For Linaks Microelectronics Ltd**

**Deepti Bammi
Company Secretary**

Place: Lucknow

Dated: 07-08-2019

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

and 17(11) of SEBI (LODR) (AMENDMENT) REGULATIONS, 2018

Item no. 4

The Board on recommendation of NRC, proposed the appointment of Mr. Jai Ram Singh (DIN: 08356669) as the Non- Executive Independent Director of the company in terms of Section 149 (read with Schedule IV to the Companies Act 2013), 150, 152, 160, 161, 164 and other applicable provisions of the Companies Act, 2013 and Companies (Appointment and Qualification of Directors) Rules 2014 and Regulation 17 of the Listing Regulations. In the opinion of the NRC and the Board, Mr. Jai Ram Singh fulfils the conditions specified under the Act, 2013 and rules made thereunder and the Listing Regulations, for the proposed appointment as a Non- Executive and Independent Director by the shareholders of the Company and he is Independent of the Management of the Company.

NRC evaluated his skills, experience and knowledge in the field of finance, management, administration and corporate governance. The Board considered that the proposed appointment of Mr. Jai Ram Singh as a director will be of immense benefit for the company.

In terms of Section 149 read with Schedule IV and any other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder and regulation 16 & 17 of the SEBI Listing Regulations, 2015, the aforesaid person can be appointed as an Independent director, with the approval of shareholders by way of special resolution. Hence it is proposed that Mr. Jai Ram Singh who was appointed as an Additional Director and who holds office upto the date of ensuing AGM be appointed as Non- Executive and Independent Director of the Company to hold office for a period of five consecutive years commencing from 12th February, 2019 and not liable to retire by rotation during his tenure of appointment.

The company has received a consent in writing from Mr. Jai Ram Singh to act as a Director in Form DIR-2, intimating to the effect that he is not disqualified to be appointed as a director and a declaration in writing that he meets the criteria of independence as provided under Section 149(6) of the Companies Act 2013 and also under the Listing Regulations.

A copy of the draft letter of appointment setting out the terms and conditions of appointment of Non- Executive and Independent Director will be available for the inspection without the fees by the members at the Registered Office of the Company, at 12.6 Kms, Barabanki Road, Chinchat, Lucknow- 227105, during office hours as stated above.

Except Mr. Jai Ram Singh, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution relating to his appointment as a Non- Executive and Independent Director of the Company.

Accordingly, the directors recommend the special resolution in relation to appointment of Mr. Jai Ram Singh as a Non- Executive and Independent Director for approval of the shareholders, as set out in Item-4 of this Notice.

Profile: Mr. Jai Ram Singh

Mr. Jai Ram Singh is having around 40 years of experience in the fields of Management, Finance and Administration of the Company. He is appointed as the Non-Executive, Additional and Independent Director of the company due to his immense knowledge, skills and experience. This would surely help the company in heading forward.

**By Order of the Board
For Linaks Microelectronics Ltd**

Date: 07.08.2019

Place: Lucknow

**Deepti Bammi
Company Secretary**

Appendix –A

The details of the Directors liable to retire by rotation and seek re- appointment:-

Sr. No.	Name of the Director	Qualification	Directorship of Other Companies	Committee position held in other companies	Professional / expertise	Nos. of shares held Relationship between directors interse
1.	Mrs. Meena Singh (DIN- 02775239)	Graduate	NIL	NIL	Has experience in management and leadership skills for heading the Company forward.	1420880 Nos. of Equity shares Related with Mr. Anil Kumar Singh (Managing Director)

**By the Order of the Board
For Linaks Microelectronics Ltd**

Date: 07.08.2019

Place: Lucknow

**Deepti Bammi
Company Secretary**

BOARDS' REPORT

To

The Members,

LINAKS MICROELECTRONICS LIMITED

Your Directors present the Thirty Fourth Boards' Report of the Company together with Audited Financial Statements of your company for the financial year ended **31st March, 2019**.

1. FINANCIAL RESULTS

(Amount in Thousand Rs.)

Financial Results	Year ended 31.03.2019	Year ended 31.03.2018
(a) Turnover (including Other Income)	6922	16746
(b) Net Profit/Loss (before depreciation and tax)	-6419	-4339
Depreciation	1564	2186
(c) Net Profit/(Loss) before extraordinary items	-7983	-6525
Extraordinary items	-	1303
(d) Net Profit/(Loss) before tax	-7983	-5222
Provision for Tax (including for deferred tax)	0	0
(d) Net Profit/(Loss) after tax	-7983	-5222

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

The year ending on March 31, 2019, was *Annus Horribilis*.

We had laid the foundation of sustained growth in orders to cross the Break-Even level through an exclusive selling arrangement with the Delhi based firm last year, i.e. 2017-18. Secondly, the leave & licence real estate Developer's were expecting an uptick in the dormant real-estate market during 2018-19. They had held out hope to increase the release of funds to the Company, which in turn would have enhanced our working funds.

Alas, none of the expectations was met, and almost anything that could go wrong went wrong. Early in the year, our Delhi based sales arrangement got a rude shock when the CEO of the firm suffered a massive stroke and could not return to run the business – he is still in rehabilitation.

His illness gave a massive setback to our sales, which nose-dived and it took us almost the rest of the year to fill the breach, and we are still far from achieving it. So the year under review the Company has operated at below cash break-even level and bled red on the balance sheet. The silver lining is that a new team has taken over the running of our Delhi based Sales associate and the order book once again has started looking up. Augurs well for the coming year.

On the second issue of the funds infusion from the developer's of our old site, things have gone from bad to worse. M/s Clarion Townships Pvt. Ltd., the company that was given the leave and license permission to develop the site could not progress beyond 10-15% completion stage. They have run afoul with their lending Bank who have invoked SARFAESI against them and possessed the site. Since the arrangement of their financing was so structured that they had not only mortgaged their share of the built-up project area but had also been extended a Corporate Guarantee by us to the lending Bank to facilitate & speed-up the arrangement in the interest of expeditious execution. Your Company had taken care to obtain a counter Corporate Guarantee from the parent company of Clarion, namely Rohtas Projects Ltd. for the same amount to cover the overhang. We have since invoked our Corporate Guarantee of Rohtas and have also taken due legal steps under the able advice of our advocates to shield the Company from any negative fall-out. Simultaneously, we are also in discussions with other construction companies to step into the shoes of Clarion and complete the project. To accomplish this, we have initiated dialogues with all the stake-holders.

In the coming year, we do not foresee any significant impediment in ramping up our sales to the break even level and beyond. The challenge on hand would be to address the working capital needs, which would grow with the increase in sales. Our source of infusion from the site development project would not be immediately available; hence alternate avenues are being explored.

3. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

4. 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.

5. SHARE CAPITAL

The paid up share capital of the company as at 31st March, 2019 remained at Rs. 4,95,35,300. During the period under report, your company has not issued any shares including Sweat Equity, ESOP, Bonus and/or Convertible Debentures.

6. DEPOSITS

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

7. 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.

8. MATERIAL CHANGES & COMMITMENTS

There has been no material changes and Commitment affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and date of the Report.

9. RISK MANAGEMENT POLICY OF THE COMPANY

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

10. HUMAN RESOURCE DEVELOPMENT

At LINAKS, human resource development is considered vital for effective implementation of business plans. Constant endeavours are being made to offer professional growth opportunities and recognition. 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.

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

The Company is an equal opportunity employer and consciously strives to build a work culture that promotes dignity of all employees. As required under the provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has implemented a policy on Prevention of Sexual Harassment of Women at Workplace. An Internal Committee has been set up to receive complaints, investigate the matter and report to the management.

At the beginning of the year, there was no complaint pending. During the year, no complaint was received by the Committee and hence no complaint was pending at year end.

12. AUDITORS:**Statutory Auditors**

At the 32nd Annual General Meeting held on September 28, 2017, the members had appointed M/s Jaiswal Singh & Co. (Firm Registration No. 011049C), Chartered Accountants, Kanpur, as Statutory Auditors for a block period of 05 years beginning from the conclusion of the 32nd AGM till the conclusion of the 37th AGM, subject to them ratifying the said appointment at every AGM. The Company had received confirmation from M/s Jaiswal Singh & Co., to the effect that their appointment would be in terms of Section 139 and 141 of the Companies Act, 2013 and rules made thereunder.

The Statutory Auditors have audited the books of accounts of the Company for the Financial Year ended on March 31, 2019 and have issued the Auditors' Report thereon. The Statutory Auditors have not made any adverse comments or given any qualification, reservation or adverse remarks or disclaimer in their Audit Report.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company has appointed Ms. Divya Matah of M/S Divya Matah and Associates, a firm of Company Secretary in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as 'Annexure A' to this report.

As required under Regulation 24A of SEBI (LODR) Regulations 2015, M/s. Divya Matah & Associates, Practicing Company Secretaries, Lucknow has reported on the Annual Secretarial Compliances of the Company for the year ended on 31st March, 2019. The report is uploaded to the Stock Exchange. The said report has been provided under 'Annexure-B' of the Directors' Report.

The Secretarial Auditor has not made any adverse comments or given any qualification, reservation or adverse remarks or disclaimer in their Audit Report and Compliance Report.

13. DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with provision of the Companies Act, 2013, Mrs. Meena Singh, director of the Company, is liable to retire by rotation at the ensuing AGM and is eligible for her reappointment.

Necessary resolutions for the reappointment of the aforesaid director and the detailed profile has been included in the notice convening the annual general meeting.

There is change in the Board of Directors of the Company during the Financial Year 2018-19. During the period since last report Dr. Gautam Singh and Mr. Udayan Singh resigned from the Board w.e.f. August 10, 2018 due to personal reasons and other commitments.

Your Directors take this opportunity to place on record their deep appreciation for the valuable services and guidance rendered by Dr. Gautam Singh and Mr. Udayan Singh.

The Board at its meeting held on February 12, 2019 appointed Mr. Jai Ram Singh, as an Additional and Non- Executive Independent Director of the Company, based on recommendation of NRC, effective from February 12, 2019.

The Company is seeking approval of the Members for the appointment of Mr. Jai Ram Singh as Independent Director at the ensuing AGM.

All the directors of the company have confirmed that they are not disqualified from being appointed as directors in terms of Section 164 of the Companies Act, 2013.

Furthermore, Ms. Shivani Singh Yadav (ACS No. A41654) was appointed as the Company Secretary of the Company w.e.f. December 20, 2018 but she had to resign from the job as on January 31, 2019, due to some of her personal reasons.

In order to comply with the mandatory requirement of recruiting a Company Secretary and Compliance Officer in a Listed company, the company appointed Ms. Deepti Bammi, an Associate Member of The Institute of Company Secretaries of India (ACS No. A57019) as the Company Secretary and Compliance Officer of the Company pursuant to Section 203 of the Companies Act, 2013 and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 w.e.f. February 4, 2019.

With respect to mandatory requirement for appointment of Chief Financial Officer in a Listed Company, Mr. Girish Chandra Jha, being a commerce graduate and holding around 30 years of working experience has been appointed as the CFO of the Company w.e.f. April 2, 2019.

14. 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 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.

15. 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.

16. 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.

17. EXTRACT OF ANNUAL RETURN (FORM MGT-9)

As per the requirements of Section 92(3) and 134(3)(a) of the Act and Rules made thereunder, the extract of the Annual Return for the F.Y. 2018-19 is given in 'Annexure C' in the prescribed Form MGT-9, which is a part of this report.

18. MANAGEMENT DISCUSSION AND ANALYSIS REPORT AND REPORT OF DIRECTORS ON CORPORATE GOVERNANCE

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.

19. ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the co-operation and support extended by the Shareholders, various authorities, banks, dealers and vendors.

The Directors also acknowledge with gratitude the dedicated efforts and valuable contribution made by all the employees of the Company.

By order of the Board

For Linaks Microelectronics Limited

Date: 07.08.2019

PLACE: LUCKNOW

(ANIL KUMAR SINGH)
MANAGING DIRECTOR
DIN: 00225518

(U.B. SINGH)
DIRECTOR
DIN: 06650869

**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:

S.No.	DIRECTORS	DIN	NO.OF DIRECTORSHIP	NO. OF COMMITTEES	CATEGORY OF DIRECTOR
1	Mr. Anil Kumar Singh	0225518	0	3 Member	Managing Director
2	Mrs. Meena Singh	02775239	0	1 Chairperson 1 Member	Non-Executive Non-Independent Director
3	Mr. Uday Singh	06650869	0	2 Chairperson 2 Member	Independent Director
4	Mr. Ram Chandra Gaur	02317264	2	2 Member	Independent Director
5	Mr. Jai Ram Singh	08356669	0	1 Chairperson	Independent Director
6	Mr. Udayan Singh*	-	0	-	-
7	Mr. Gautam Singh*	-	0	-	-

*Mr. Udayan Singh and Mr. Gautam Singh have resigned from their directorship w.e.f. 10th August, 2018 with the approval of the Board.

Only Audit Committee, Investors' Grievance Committee, Nomination and Remuneration Committee and Committee for Prevention of Sexual Harassment of Women at workplace are considered for the purpose of Committee positions as per listing Agreement.

Responsibilities

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

Role of Independent Directors

Independent Directors play an important role in deliberations at the board meetings and bring to the company their wide experience in the field of finance, accountancy, law etc. The wide knowledge of both, their field of knowledge and boardroom practices help foster unbiased, independent and experienced prospective.

Appointment of Independent Directors

The Company has 3 Independent directors on its Board.

The Current independent director on Board are: Mr. Uday Bhan Singh, Mr. Ram Chandra Gaur and Mr. Jai Ram Singh. None of the Independent directors are liable to retire by rotation.

All Independent Directors of the Company, at the time of their first appointment to the Board and thereafter at the first meeting of the Board in every Financial Year, give a declaration that they meet with the criteria of Independence as provided under Section 149 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Board Evaluation

Pursuant to the provisions of the Companies Act 2013 and Regulation 17 of the Listing Regulations, the Board has carried out an annual performance evaluation of its Independent Directors and the Independent Directors also evaluated the performance of the Non- Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process. The Board of Directors also evaluated the functioning/ performance of Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee and expressed satisfaction with their functioning performance.

Board Meetings

The meetings of the Board are generally held at the Registered office of the company. Meetings are generally scheduled well in advance. The Board meets

at least once a quarter to review the quarterly performance and the financial results of the company.

The Company Secretary, in consultation with the Managing Director prepares the detailed agenda of the Board Meetings. The Board papers are circulated to the directors in advance.

During the financial year 2018-19, the Board of Directors of the Company duly met **Six (6)** times. The intervening gap between the two meetings was within the period as prescribed under the Companies Act, 2013.

The attendance of each director at the Board Meetings and at last AGM is as under:

Directors	No. Of board meetings attended	Attendance At The 33 rd AGM
Mr. Anil Kumar Singh	6	Yes
Mrs. Meena Singh	6	Yes
Mr. Uday Bhan Singh	6	Yes
Mr. Ram Chandra Gaur	5	No
Mr. Jai Ram Singh*	0	No
Mr. Udayan Singh#	1	Yes
Mr. Gautam Singh#	0	No

*Mr. Jai Ram Singh has been appointed as the Non Executive Independent additional director of the Company w.e.f. 12th February, 2019.

Mr. Udayan Singh and Mr. Gautam Singh have resigned from their directorship w.e.f. 10th August, 2018 with the approval of the Board.

Board Committees

To enable better and more focused 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.

The Board is assisted by various committees- Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee AND Committee for Prevention of Sexual Harassment of Women at workplace.

Audit Committee

The Audit Committee is constituted in accordance with the provisions of Regulation 18 of SEBI (LODR) Regulations 2015 and Section 177 of the Companies Act, 2013. The Audit Committee comprises of:

- Mr. Ram Chandra Gaur – Member (Independent Director)
- Mr. Uday Bhan Singh – Chairperson (Independent Director)
- Mr. Anil Kumar Singh – Member (Managing Director)

The meetings of the audit committee are scheduled well in advance. The audit committee met 4 times during the year under review on 28.05.2018, 10.08.2018, 12.11.2018 and 12.02.2019. The Committee reviewed the quarterly/annual financial statements before submission to the Board for approval.

The Committee reviews the report of the internal auditors and statutory auditors along with the comments and corrective actions taken by the Management. The committee also reviews the Asset-liability management system.

Nomination & Remuneration Committee

The Company's Nomination & Remuneration Committee consists of following Directors namely:

- Mr. R.C. Gaur – Chairperson (Independent Director)
- Mrs. Meena Singh – Member (Non Executive non-independent director)
- Mr. Uday Bhan Singh – Member (Independent Director)

Later on 02.04.2019, the Nomination and remuneration committee was reconstituted at the request of Mrs. Meena Singh, Director of the company.

The reconstituted committee consists of the following members:

- Mr. R.C. Gaur –Member (Independent Director)
- Mr. Jai Ram Singh –Chairperson (Independent director)
- Mr. Uday Bhan Singh – Member (Independent Director)

The salary of the Managing/W hole-time Directors is recommended by the Remuneration Committee and approved by the Board. No remuneration is paid to the Non-Executive Directors.

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under SEBI (LODR) Regulations, 2015, Section 178 of the Companies Act, 2013 and Rules made thereunder.

The role of the Nomination and Remuneration Committee inter alia, includes formulation of criteria of determining qualifications, positive attributes and independence of a director and recommendation to the Board of the remuneration policy, formulation of criteria for evaluation of the Independent Directors and the Board, devising a policy on Board Diversity, and identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with criteria laid down, and recommend to the Board their appointment and removal.

**Annual Report 2018-2019**

During the year, the Nomination and Remuneration Committee met 3 Times on 02.04.2018, 20.12.2018 and 04.02.2019.

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 01.04.18 - 31.03.19		
			Salary & Perquisites	Commission	Total
Mr. Anil K Singh	Managing Director	NIL	14,40,000	NIL	14,40,000
Mr. Udayan Singh*	Whole-time Director	NIL	2,40,000	NIL	2,40,000

*Mr. Udayan Singh resigned from directorship w.e.f. 10th August, 2018.

Stakeholders Relationship Committee

The stakeholders relationship committee comprises of:

- Mr. Uday Bhan Singh – Chairperson (Independent Director)
- Mr. Anil Kumar Singh – Member (Managing Director)
- Mrs. Meena Singh – Member (Non Executive non-independent director)

The Committee looks into the redressal of shareholders, investors, depositors and Customer complaints. The stakeholders relationship committee met 1 time in the year on 05.01.2019.

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- Chairperson (Non Executive non-independent director)
- Mr. A.K. Singh – Member (Managing Director)
- Mr. U.B. Singh- Member (Independent Director)

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.

Certificate under Regulation 34(3) of SEBI Listing Regulations

The Company has obtained a certificate pursuant to the Regulation 34(3) read with Schedule V of the Listing Regulations, from M/S Divya Matah and Associates, a firm of Company Secretary in practice, confirming that none of the Directors are debarred or disqualified from being appointed or continuing as Directors of the Company either by Securities and Exchange Board of India or the Ministry of Corporate Affairs or any other Statutory Authority. The said certificate forms part of this report as 'Annexure D'.

Shareholding of Directors

The Shareholding details of the directors as at March 31, 2019 are included in Form MGT-9 forming part of the Directors' Report.

Vigil Mechanism/ Whistle Blower Policy

The Company believes to conduct its affairs in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behaviour. The Company is committed in developing a culture where it is safe for all the employees to raise concerns about any wrongful conduct.

The Board has approved the vigil mechanism/ Whistle Blower policy of the Company which provides a framework to promote a responsible and secure whistle blowing. The Audit Committee oversees the Vigil Mechanism.

Particulars Of Related Party Transactions

Related party transactions that were entered into during the financial year were on arm's length basis and were in ordinary course of business. There are no materially significant related party transactions made by the Company which may have potential conflict with the interest of the Company. As per **Annexure-E** in Form AOC-2.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the **Companies (Accounts) Rules, 2014**.

LINAKS MICROELECTRONICS LIMITED**Annual General Meetings**

Following are details of the Annual General Meetings for the previous three years held. The AGMs were held at the registered office of the Company at 12.6 kms, Barabanki Road, Chinhut, Lucknow.

S. No.	Particulars of Meeting	Day and Date	Number of SR passed	Nature of SR
2017-18	33 rd Annual General Meeting	Wednesday, 26 th September 2018	1	Increase in remuneration of Managing Director
2016-17	32 nd Annual General Meeting	Thursday, 28 th September 2017	0	-
2015-16	31 st Annual General Meeting	Tuesday, 27 th September 2016	0	-

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 26.09.2018.

Listing with the Stock Exchanges

The Company confirms that it has paid the Annual Listing Fees for the year 2019-2020 to BSE where the Company's Shares are listed.

Market price data

Month	Open	High	Low	Close	No. of Shares
Apr-18	0.50	0.50	0.50	0.50	1,407
May-18	0.50	0.54	0.50	0.54	922
Aug-18	0.54	0.92	0.54	0.90	79,515
Sep-18	0.86	0.86	0.78	0.78	3,701
Oct-18	0.78	0.78	0.72	0.72	910
Nov-18	0.72	0.72	0.72	0.72	10
Dec-18	0.72	0.72	0.69	0.69	2,520
Jan-19	0.69	0.69	0.69	0.69	752
Feb-19	0.69	0.69	0.69	0.69	662
Mar-19	0.69	0.69	0.68	0.68	3,300

Depository Services

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

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, 3rd Floor, 99, Madangir,
Behind Local Shopping Centre,
Nr. Dada Harsukhdas Mandir,
New Delhi-110 062.
Ph: 011-29961281
E-mail: beetalrta@gmail.com

Distribution Schedule as on March 31, 2019

Shareholding of nominal value of Re1/- held	Shareholders		Total Shares	% to Total Shares
	Number	% of Total		
1-5000	4801	95.96	3409030	19.67
5001-10000	105	2.09	760883	4.39
10001-50000	64	1.25	1225623	7.07
50001-100000	16	0.31	1222524	7.05
100001 & above	17	0.33	10717240	61.82
TOTAL	5003	100	17335300	100