



NAINA SEMICONDUCTOR LTD.



TWENTY NINE ANNUAL REPORTS 2016-17

NSL

NAINA SEMICONDUCTOR LIMITED

BOARD OF DIRECTORS

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| • KAPIL MOHAN MEHTA | MANAGING DIRECTOR |
| • S.L. GANDHI | DIRECTOR |
| • ANIL KHANNA | DIRECTOR |
| • VINOD KUMARI | DIRECTOR |
| • | |
| • AUDITOR | VIKRAM SALHOTRA
Chartered Accountants
New Delhi |
| • BANKER | STATE BANK OF INDIA

LAJPAT NAGAR, NEW DELHI |
| • REGISTERED OFFICE | Village PadampurDevalia
P.O. MotaHaldu, (Haldwani)
Dist.Nainital (Uttarakhand) |
| • SECRETARIAL DEPARTMENT
& WORKS | D-95, Sector 63, Noida – 201301 (U.P.) |

NOTICE

Notice is hereby given that the Twenty Nine Annual General Meeting of the Members of Naina Semiconductor Limited will be held at Regency Inn, Haldwani, Dist. Nainital (Uttarakhand) on 26 SEP. 2017 at 12.00 A.M. on Tuesday to transact the following business:-

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2017 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.*
2. To appoint a Director in place of Mr. Anil Khanna (DIN:-00508016) who retires by rotation and offers himself for reappointment and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution.
3. To appoint a Director in place of Mr. S.L. Gandhi (DIN:-00909735) who retires by rotation and offers himself for reappointment and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution.
4. To Consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution.

Resolved that pursuant to the provision of sections 139(9) and 142(1) and other applicable provision, if any of the Companies Act, 2013 read with rules made there under, the appointment of Mr. Vikram Salhotra Chartered Accountants approved in the 29th Annual General Meeting until 30 th Annual General Meeting is hereby ratified in the Annual General Meeting till conclusion on next Annual General Meeting, with remuneration as may be decided by the Board of Directors.

Regd. Office:
Village PadampurDevalia

By Order of Board of Directors

Kapil Mohan Mehta
Managing Director

Date 31.05.17
Place Noida

NOTES

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

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

Cases of Non-Compliance:

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

SEBI Complaints Redressal System (SCORES):

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

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

By Order of Board of Directors

Place : Noida
Dated : 31.05.17

Kapil Mohan Mehta
Managing Director

DIRECTOR REPORT

To,

The Members,

Your Directors have pleasure in presenting their Annual Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2017.

1. Financial summary or highlights/Performance of the Company

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

RS.IN LACS.

Particulars	2016-2017	2015-2016
Gross Income	562.40	520.92
Profit Before Interest and Depreciation	65.79	63.43
Interest / Finance Charges	57.56	56.52
Provision for Depreciation	5.50	5.50
Profit before exceptional item	2.73	1.41
Income from exceptional item (net)	-	-
Net Profit Before Tax	2.73	1.41
Provision for Tax / Deferred Tax	.25	.22
Net Profit After Tax	2.48	1.19
Balance of Profit/(loss) brought forward	2.48	1.19
Balance available for appropriation	-	-
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Transfer to General Reserve	2.48	1.19
Surplus / (loss) carried to Balance Sheet	2.48	1.19

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

During the year your Company was able to achieve sales revenue of ₹56240865/-as compared to the last year sale revenue of ₹52092024/- in the immediately preceding financial year.

3. Brief of Business and new business plans

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

4. Dividend

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

5. Reserves

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

6. Directors and Key Managerial Personnel

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

The Board consists of 4 Directors. During the year under review, there was no change in the constitution of the Board of Directors and Key Managerial Personnel of the Company. Composition of the Board and directorships held as on 31st March, 2017 form part of this Annual Report as **ANNEXURE A**

7. Meetings

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

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

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

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

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

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

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

11. Managerial Remuneration:

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

12. Auditors:

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

13. Auditors Report:

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

14. Internal Audit & Controls:

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

15. Corporate Social Responsibilities Initiatives:

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

16. Risk management policy:

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

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

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

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

18. Extract of Annual Return:

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

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

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

20. Deposits

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

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

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

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

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

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

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

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

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

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

Details of Loans:

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

Details of Investments:-

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

Details of Guarantee / Security Provided:

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

22. Particulars of contracts or arrangements with related parties:

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

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

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

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

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

a) Conservation of energy

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

(iii)	the capital investment on energy conservation equipment's	NIL
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(b) Technology absorption

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

(c) Foreign exchange earnings and Outgo

During the year the total foreign exchange used was RS 139.17 lacs and the total foreign exchange earned was Rs.170.61 lacs.

24. Directors' Responsibility Statement

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

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;