



SENSING TECHNOLOGY

ANNUAL REPORT 2014-15

BOARD OF DIRECTORS

Vinod Ramnani, Chairman & Managing Director

Jayesh C Patel, Director

Thomas Dietiker, Director

Dr. Suleman Adam Merchant, Director

Dr. Anvay Mulay, Director

Rajkumar Raisinghani, Director

Suchitra Misra, Director

CHIEF FINANCIAL OFFICER

V. Sundar

COMPANY SECRETARY

Supriya Kulkarni

REGISTERED OFFICE

83, Electronics City,

Bengaluru 560 100, Karnataka, India

AUDITORS

Anand Amarnath & Associates

Chartered Accountants

S-2, II Floor, Gem Plaza,

No. 66, Infantry Road,

Bengaluru - 560 001

BANKERS

State Bank of India

United Bank of India

IndusInd Bank Ltd.

DBS Bank Ltd.

Standard Chartered Bank

HDFC Bank Ltd.

YES Bank Ltd.

ICICI Bank Limited

The Bank of Nova Scotia

23ND ANNUAL GENERAL MEETING

Day & Date: Thursday, 31st December 2015

Time: 10:30 AM

Venue: # 83, Electronics City,

Bengaluru 560 100, Karnataka, India

COMPANY CO-ORDINATES FOR INVESTORS

9am IST – 5pm IST, Weekdays

83, Electronics City,

Bengaluru 560 100, Karnataka, India

T: 91 80 2852 1040/41/42

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GROUP WEBSITES

www.optoindia.com | www.amdlcorp.com |

www.cardiacscience.com | www.csiusa.com |

www.devoncath.com | www.eurocor.de |

www.mediaidinc.com | www.nsremedies.com |

www.optoeurocor.com | www.ormedortho.com |

www.unetixs.com

CHAIRMAN'S STATEMENT

Dear Shareholder,

The business environment has continued to be challenging this year as well. The combined effect of the softening of the European markets and overall economic slowdown have impacted the performance of your company.

Your company reported consolidated Revenues of ₹ 1,212 Crores for FY15, as against ₹ 1,471 Crores for the previous year. While year has been challenging for your company, Opto Cardiac Care Limited, a subsidiary of your company, has recorded an increase of 6% in revenues from ₹ 802 crores in FY14 to ₹ 851 crores in FY15. The growth was largely driven by new product launches under the Powerheart AED brand and new customer acquisitions by Unetixs Vascular.

In Q3FY15, your company's factory and facility at Vishakhapatnam, Andhra Pradesh incurred substantial losses of inventory and machinery on account of HudHud cyclone. Following a conservative approach as per the accounting conventions and practices, your company has provided ₹ 181 crores for loss of inventory in the said quarter, viz Q3 FY 2015. Your company has since been working with the insurance company for settlement of the claim at the earliest.

Your Company reported a consolidated loss of ₹ 156 crores for FY15. As explained above, the reported loss arose due to the provisioning of a substantial amount of ₹ 181 Crores in the Profit and Loss Account for damages to inventory and damages to factory on account of HudHud cyclone. But for this exceptional Loss, the Consolidated Profit for your Company for the Financial Year ended 31st March 2015 would have been ₹ 25.03 crores.

Your Company launched several new products. In the invasive segment, Opto Eurocor Healthcare's E-Magic Plus™, a Sirolimus eluting coronary stent system received CE (Conformité Européenne). Local country registrations for the product are well under way other markets such as South America, Asia, and North Africa. Your company also launched SiroPrime, a Sirolimus based drug eluting stent with DGCI approval in India in 2014. Your company has also launched Amadeus SuperCross- Slek, a new variant of stent with DGCI approval in November 2014.

In the non-invasive segment, we continue to develop upgrades to the Powerheart family of AEDs so that seasoned and first-time rescuers will have the most reliable and easy-to-use AEDs to swiftly provide effective, life-saving therapy to aid a person

who has suffered sudden cardiac arrest. Your company recently launched Powerheart G5 AED with CPRD, after it got an FDA approval in May 2015.

The customer response to these recently launched products has been very encouraging and we look forward to rapid growth of these products in the quarters to come.

Cardiac Science Corporation, a step-down subsidiary of your Company was awarded approximately USD 23 Million in lost royalties for breach of contract against Zoll Corporation.

Our development teams continue to develop, test and refine technologies to offer efficient, cost-effective and market relevant technologies for global markets. While efforts are on-going to develop these products, the current focus is to further extend the strong IP backed AED technology platform to offer, one-of-a kind and differentiated products for low cost markets and home use.

As you are aware, post the initial years of rapid growth, the last couple of years have been difficult for your company. The growth driven by acquisitions, which is characteristic of this industry, required significant capital investments on a continual basis and has had an impact on the balance sheet and cash flows of your company. The focus over the last couple of years, while integrating these acquisitions, was to take measured steps to ease the asset - liability mismatch. The task, given the complexities of multi-location manufacturing, multiple product lines and a diverse customer base coupled with a sluggish economic scenario and global competitive pressure, has taken us longer than anticipated. My team and I are working hard to set things right and are confident that we will emerge stronger and leaner - ready to chart a new chapter focused on profitable growth and value maximization for our stakeholders.

On this note, I would like to take this opportunity to thank all our stakeholders for their patience and continued belief in the company. The journey from a start up with limited means to a company which has at its disposal an arsenal of IP backed products and technologies, a loyal customer base, and an excellent team, would not been possible without your support and encouragement.

Yours Sincerely,

Vinod Ramnani

Chairman and Managing Director

DIRECTOR'S REPORT TO THE SHAREHOLDERS

To
The Members,

Your Board is pleased to present the 23rd Annual Report on the business and operations of Opto Circuits (India) Limited, together with the financial statements of your Company for the financial period 1st April 2014 to 31st March 2015.

FINANCIAL HIGHLIGHTS: OPTO CIRCUITS – STANDALONE

₹ in Lacs

Particulars for the year-ended March 31st	2015	2014
TOTAL REVENUES	14,092.24	26,110.89
Expenditure	16,036.52	20,937.86
Profit before Depreciation	(19,111.48)	5,965.29
Depreciation	972.80	792.27
Profit before Tax	(20,084.28)	5,173.02
Provision for Taxation	66.88	957.23
Profit for the year	(20,151.16)	4,215.79
Surplus carried to Balance Sheet	(20,151.16)	4,215.79

OPERATIONS - STANDALONE

Standalone Total Revenues was at ₹ 14,092.24 lacs for the year ended 31st March, 2015 as against ₹ 26,110.89 lacs for the corresponding period of FY2014, a decline of 46.03%. Standalone Profit/(Loss) after Tax for the year ended 31st March, 2015 is at ₹ (20,151.16) lacs, as against ₹ 4,215.79 lacs for the corresponding period of FY2014.

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year 2014-15 and the date of this report.

DIVIDENDS

Your Directors have not recommended any dividend for the year ended 31st March 2015.

TRANSFER TO RESERVES

An amount of ₹ (20,151.16) lacs is proposed to be retained in the Profit and Loss Account.

CHANGES IN SHARE CAPITAL.

Increase in Authorised Sharecapital.

During the year under review, The Authorised Share capital of the Company was increased from ₹ 300 Crores divided

into 30 Crores of Equity Shares of ₹ 10 each to ₹ 375 Crores comprising of ₹ 37.5 Crores of Equity Shares of ₹ 10 each.

DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

During the year under review, the Company has not issued Shares with Differential Rights.

DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS:

During the year under review, the Company has not issued Shares Employee Stock Options.

DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES:

During the year under review, the Company has not issued Sweat Equity Shares.

GROUP FINANCIAL HIGHLIGHTS: OPTO CIRCUITS – CONSOLIDATED

₹ in Lacs

Particulars for the year-ended March 31st	2015	2014
TOTAL REVENUES	121,191.72	147,132.58
Expenditure	127,270.08	128,361.01
Profit before Depreciation	(6,078.36)	18,771.57
Depreciation	9,455.28	7,570.14
Profit before Tax	(15,533.64)	11,201.43
Provision for Taxation	171.28	2,197.43
Profit for the year	(15,704.92)	9,004.00
APPROPRIATIONS		
Proposed Dividend	0	0
Tax on Dividend	0	0
Minority Interest	(67.47)	(93.23)
Surplus carried to Balance Sheet	(15,637.45)	9097.23

OPERATIONS - CONSOLIDATED

Consolidated Revenue is at ₹ 121,191.72 lacs for the year ended 31st March, 2015 as against ₹ 147,132.58 lacs for the corresponding period of Financial Year 2014. Consolidated Profit after Tax for the year ended 31st March, 2015 is at ₹ (15,704.92) lacs, as against ₹ 9,004.00 lacs for the corresponding period of Financial Year 2014. Earnings per Share for the year-ended 31st March 2015 is at ₹ (6.45)(Basic).

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, company continues to have Nine (9) direct subsidiaries. In accordance with Section 129 (3) of the Companies Act, 2013, we have prepared Consolidated Financial Statements of the Company and all its subsidiaries, which forms part of the Annual Report. Further, a Statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC - 1 is appended as Annexure A to the consolidated financial Statement and hence not repeated here for the sake of brevity.

The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link: [http://www.optoindia.com/pdf/OCIL-Policy on Material Subsidiaries.pdf](http://www.optoindia.com/pdf/OCIL-Policy%20on%20Material%20Subsidiaries.pdf).

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

Medical devices are an eminent part of the healthcare sector. The medical device industry includes devices which simplify the prevention, diagnosis and treatment of diseases and illnesses. The devices range from pacemakers, dialysis machines to thermometers, vital signs monitors, and pulse oximetry sensors which are used in diverse primary, secondary and tertiary medical establishments. North America is the largest market accounting for over 40%, followed by Europe and rest of the world. In rest of the world, developing economies in particular China, India, Africa, Middle East and Brazil have been growth contributors over the past couple of years.

Currently, the medical equipment industry is estimated to be valued at US 360 billion. A single digit growth rate is expected going forward and the market is forecasted to grow to US 426 billion in 2018. While an aging population, chronic lifestyle diseases, expansion of emerging markets and advances in technology are expected to drive growth, however there are certain factors which are considerably altering the healthcare demand and delivery landscape.

Companies in the industry need to adapt their R&D strategy, policy on pricing and mechanics of their supply chain to strive in the changing regulatory, clinical and business landscape. Consequently, companies will need to create technologies that help reduce healthcare costs, focus on the needs of the emerging markets, and fit into the reimbursement patterns in developed economies.

The Indian market is estimated to be ~ US 4.5 billion and is expected to grow at a CAGR of ~ 14% to reach ~ US 200 billion by 2025. The Indian medical device industry though in its nascent stages shows great potential due to its strong private healthcare system, growing middle class with increasing income levels, change in the disease profiles (lifestyle diseases), greater penetration of health insurance, government focus on healthcare infrastructure development and rising awareness of personal healthcare.

COMPANY OVERVIEW

Opto Circuits (India) Ltd. is an established global medical devices and technology group with a diversified product portfolio which is headquartered out of Bengaluru, India. Our Company along with its subsidiaries are engaged in the design, development, manufacture, marketing and distribution of a range of medical products that are used by primary, secondary and tertiary healthcare establishments as well as in public access facilities such as schools, fire stations, police offices in over 150 countries. We specialize in vital signs monitoring, emergency cardiac care, vascular treatments and sensing technologies. Our US FDA listed and CE marked products are manufactured in India, Malaysia, Germany and the United States.

Our interventional products include stents, balloons both drug eluting and non-drug eluting used for the treatment of coronary and peripheral arterial diseases, as well as catheters and implants that are inserted in the human body. We have proprietary technology with respect to the design and development of these products allowing us to differentiate these from competing devices. Some of our well-known brands in this segment are Dior, Freeway, E-Magic Plus, Genius Magic.

We develop, manufacture, and market a broad range of advanced cardiac diagnostic and therapeutic devices and state-of-the-art patient monitoring systems. Our products include automated external defibrillators or AEDs, hospital defibrillators, patient monitoring devices and services, vital signs monitors, pulse oximeters and peripheral artery disease diagnostic equipment.

We also sell a variety of related products and consumables and offer a portfolio of related training and key support

services, including the installation, training, monitoring and maintenance of our AEDs, and PAD, which allow our customers to optimize the usage of our products and provide us with recurring revenues on a contracted basis. Some of our well-known brands in this segment are Powerheart, Revo, nCompass, nGenuity, Poet IQ.

STRENGTHS OF YOUR COMPANY

One of our biggest competitive advantage is the propriety technology developed by our in-house teams which gives us control over features and intellectual property costs of devices and helps minimize our dependence on third party technologies. The focus on research and development activities has enabled us to develop devices which we believe are technologically superior to other devices available in the market. Our diversified product portfolio across invasive and non-invasive caters to the needs of primary, secondary and tertiary care establishments is well balanced and includes technologies that command high profit margins and also allows us to achieve sales and distribution synergies coupled with economies of scale. Our global distribution network is supported by a large team of third-party distributors and highly qualified international team of sales personnel spread across Europe, United States and other parts of the world. We believe our extensive distribution, sales and service network allows us to be closer to end-users and enables us to be more responsive to market demand. We have been in the medical devices business since 1992 and have established long-standing relationships with physicians, general practitioners and specialists, clinics and hospitals. We believe that our long-term relationships and the quality of our customer base is a key strength that enables us to expand our business and operations.

BUSINESS PERFORMANCE ANALYSIS CONSOLIDATED

The company reported consolidated Sales of ₹ 1,187 crores in FY15, a decline of 16% over ₹ 1,408 crores reported in FY14. The decline in sales can be attributed to combined effect of the softening of the European markets and overall economic slowdown. Opto Eurocor Healthcare Ltd., and the Standalone entity were entities that witnessed a significant decrease in revenues thereby contributing to the overall decline in consolidated revenues.

The company reported a net loss of ₹ 156 crores in FY15 which apart from being caused by the revenue decrease was also impacted by the provisioning of a substantial amount of ₹ 181 Crores in the Profit and Loss Account for damages to inventory and damages to factory on account of HudHud cyclone.

The loan liability of Cardiac Science Corporation by secured lender DBS Bank Limited was sold by them to Aurora Capital through its subsidiary CFC.

The Shares of Criticare Corp had also been pledged to DBS, for additional lines granted by them to DBS.

CFC has filed Chapter XI of the US Bankruptcy Code, in US Bankruptcy Courts in the Western District of Wisconsin of Cardiac Science Corporation, to facilitate Debt Restructuring and to protect itself from miscellaneous creditors. Opto Circuits (India) Limited and Opto Cardiac Care Limited as owners of Cardiac Science Corporation are seeking appropriate legal recourse to protect the rights of the shareholders.

Advanced Micro Devices Limited, [AMDL] a Listed subsidiary of your company, had during the period under review identified Assets which are unproductive and accordingly these unproductive assets were disposed off, resulting in generation of ₹ 628.62 lacs. The income generated from the disposal of these assets were utilized to pay off the debts and dues to the company's bankers, viz State Bank of India and State Bank of Travancore. AMDL has become a 'debt-free' company from the banks' perspective.

During the period under review, the company's management in pursuit of excellence and deliver the product with value with an objective to move on the value chain decided to focus on core businesses of Health Care and Information System and accordingly the existing FOUR Strategic Business Units [SBUs] have been pruned down to TWO SBUs, namely Health Care Management and Services [HCMS] and Information Systems and Engineering Services [ISES], both these SBUs have tremendous potential in diverse segments and fields with wider applications.

While these TWO SBUs would go in a long way to establish move on the value chain on an 'on-going' basis, the company also had achieved cost reduction across the board by pruning down its non-core areas and these measures are expected to generate better Revenue, Enhanced Profitability and the resultant Cash flow in future.

STANDALONE

The standalone company reported Sales of ₹ 146 crores in FY15, a decline of 44% over ₹ 263 crores reported in FY14. The company reported a net loss of ₹ 201 in FY15 which apart from being affected by the decreased sales was also impacted by the provisioning of a substantial amount of ₹ 181 Crores in the Statement of Profit and Loss for damages to inventory and damages to factory on account of HudHud cyclone.

RESULTS OF OPERATIONS

PROFIT AND LOSS – STANDALONE

The following table sets forth selected financial data from our audited Standalone Profit and Loss statement, the components of which are also expressed as a percentage of our Total Income for the periods indicated:

₹ in Lacs

Particulars for the year ended March 31st	2015	% of Total Income	2014	% of Total Income
INCOME				
Sales	14,614.32	10.3.70	26,278.48	100.64
Other Income	(522.08)	(3.70)	(167.59)	(0.64)
TOTAL	14,092.24	100.00	26,110.89	100.00
EXPENDITURE				
Manufacturing Expenses	7,373.71	-	13,211.06	-
Increase/Decrease in WIP&FG	31.35	-	(349.87)	-
Net Manufacturing Expenses	7,405.06	52.55	12,861.19	49.26
Administrative & Selling Expenses	1,877.05	13.32	1,926.22	7.38
Financial Expenses	5,781.61	41.03	5,358.19	20.52
Depreciation	972.80	6.90	792.27	3.03
Exceptional Items	18,140.00	128.72	-	0.00
TOTAL	34,176.52	242.52	20,937.87	80.19
Profit before Tax	(20,084.28)	(142.52)	5,173.02	19.81
Provision for Taxation	66.88	0.47	957.23	3.67
Profit after Tax	(20,151.16)	(142.99)	4,215.79	16.14

INCOME

Total Turnover

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Sales	14,614.32	26,278.48
Other Income	(522.08)	(167.59)
Total Income	14,092.24	26,110.89

OTHER INCOME

Other Income which was ₹ (167.59) lakhs in FY 2014 is ₹(522.08) lakhs in FY 2015. Major components comprise of income / loss from foreign exchange fluctuations.

EXPENDITURE

NET MANUFACTURING EXPENSES

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Manufacturing Expenses	6,386.88	12,292.45
Less: (Inc)/Dec in WIP & Finished Goods	31.35	(349.87)
Factory Expenses	986.83	918.61
Total Expenses	7,405.06	12,861.19
Total Expenses as % of Income	52.55%	49.26%

Factory expenses of ₹ 986.83 lacs in FY 2015 vs ₹ 918.61 lacs

in FY 2014 is due to increase in expenses towards Research & Development.

ADMINISTRATIVE AND SELLING EXPENSES

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Administrative Expenses	705.14	612.54
Staff Expenses	1,006.96	995.02
Selling Expenses	164.94	318.66
Total Expenses	1877.05	1,926.22
Total Expenses as % of Income	13.32%	7.38%

FINANCIAL EXPENSES

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Financial charges	5781.61	5,358.19
TOTAL	5781.61	5,358.19
Total Expenses as % of Income	41.03%	20.52%

In FY 2015, financial expenses largely comprised interest cost on working capital.

PROFIT BEFORE DEPRECIATION, INTEREST AND TAX (PBDIT)

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Profit before Depreciation, Interest & Tax	(13,329.87)	11,323.49
Profit before Depreciation, Interest & Tax as % of Total Income	(94.59)%	43.37%

NET PROFIT AFTER TAX

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Net Profit after Tax	(20,151.16)	4,215.79
Net Profit after Tax as % of Total Income	(142.99)%	16.14%

BALANCE SHEET- STAND ALONE

₹ in Lacs

Particulars	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES		
Share Holders Funds		
(a) Share Capital	24,231.94	24,231.94
(b) Reserve and Surplus	104,266.96	125,399.05
	128,498.90	149,630.99
Non -Current Liabilities		
(a) Long Term Borrowings	387.50	775.00
	387.50	775.00
Current Liabilities		
(a) Short- term borrowings	86,907.16	86,365.73
(b) Trade payables	11,777.84	3,722.58
(c)Other Current Liabilities	14,756.20	10,831.77
(d) Short-term provisions	93.77	1,062.30
	113,534.97	101,982.38
Total	242,421.37	252,388.37
ASSETS		
Non-Current Assets		
(a) Fixed Assets		
(i) Tangible assets	9,362.60	11,319.81
(ii) Capital work-in-progress	128.83	128.83
	9,491.43	11,448.64
(b) Non-current investments	38,166.46	38,166.46
(c) Deferred tax assets (net)	35.00	53.08
	38,201.46	38,219.54
Current Assets		
(a) Inventories	34,165.16	43,886.76
(b) Trade Receivables	64,599.91	61,500.63
(c) Cash and Cash Equivalents	175.75	230.82
(d) Short-term-loans and advances	95,779.76	97,090.14
(e) Other current assets	7.90	11.84
	194,728.48	202,720.18
Total	242,421.37	252,388.37

NET WORTH

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Share Capital	24,231.94	24,231.94
Reserves & Surplus	104,266.96	125,399.05
Net Worth	128,498.90	149,630.99

LOAN FUNDS

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Short Term Borrowings	86,907.16	86,365.73
Long Term Borrowings	1,756.51	1,756.97
Total Loan Funds	88,663.67	88,122.70

FIXED ASSETS

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Total Net Block	9,491.43	11,448.64

RAW MATERIAL INVENTORY

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Raw Materials & Consumables	25,125.37	34,815.62
Number of days to consumption	628	484

FINISHED GOODS [FG] AND
WORK-IN-PROCESS [WIP]

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Finished Goods and Work-in process	9,039.78	9,071.14
Number of days to sales	226	126

DEBTORS

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Debtors	64,599.91	61,500.63
Number of days to sales	1613	854

Delay in receiving payments from distributors in Europe & Asia, because of difficult market conditions has increased the debtors' days.

CURRENT LIABILITIES

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Trade payables	11,777.84	3,722.58
Other current liabilities	13,387.19	9,849.80
Short-term provisions	93.77	1,062.30
Total Current Liabilities	25,258.80	14,634.68
Number of days to sales	631	203

Previous year's figures have been regrouped / reclassified as per the new schedule III format wherever necessary to correspond with the current year's classification / disclosure.

STATEMENT OF PROFIT & LOSS - CONSOLIDATED

₹ in Lacs

Particulars for the year ended March 31st	2015	% of Total Income	2014	% of Total Income
INCOME				
Sales	118,711.79	97.95%	140,800.79	95.70%
Other Income	2,479.93	2.05%	6,331.79	4.30%
TOTAL	121,191.72	100.00%	147,132.58	100.00%
EXPENDITURE				
Cost of materials consumed	65,517.72		79,926.59	
Increase/Decrease in W I P & Finished Goods	(391.49)		553.18	
Net Manufacturing Expenses	65,126.23	53.74%	80,479.77	54.70%
Employee benefit expense	13,679.67	11.29%	15,858.37	10.78%
Financial Cost	14,350.99	11.84%	13,714.19	9.32%
Depreciation/Amortization	9,455.28	7.80%	7,570.14	5.15%
Other Expenses	15,973.19	13.18%	18,077.52	12.29%
Exceptional Items	18,140.00	14.97%	-	0.00%
Extraordinary Items	-	0.00%	231.16	0.16%
TOTAL	136,725.36	112.82%	135,931.15	92.39%
Profit for the year before Tax	(15,533.64)	-12.82%	11,201.43	7.61%
Provision for Taxation	171.28	0.14%	2,197.43	1.49%
Profit After Tax	(15,704.92)	-12.96%	9,004.00	6.12%

INCOME

TOTAL TURNOVER

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Sales	118,711.79	140,800.79
Other Income	2,479.93	6,331.79
Total Income	121,191.73	147,132.58

FINANCIAL EXPENSES

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Financial Charges	14,350.99	13,714.19
Total	14,350.99	13,714.19
Financial expense as % of Income	11.84%	9.32%

EXPENDITURE

MANUFACTURING EXPENSE

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Manufacturing Expenses	65,517.72	79,926.59
Less: (Inc)/Dec in WIP & Finished Goods	(391.49)	553.18
Total expense	65,126.23	80,479.78
Total expense as % of Income	53.74%	54.70%

DEPRECIATION & AMORTISATION

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Depreciation & Amortization	9,455.28	7,570.14
Total	9,455.28	7,570.14
Depreciation & Amortization as % of Income	7.80%	5.15%

STAFF & OTHER EXPENSE

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Staff Expenses	13,679.67	15,858.37
Other Expenses	15,973.19	18,077.52
Total	29,652.85	33,935.88
Total expense as % of Income	24.47%	23.06%

PROFIT BEFORE DEPRECIATION, INTEREST AND TAX (PBDIT)

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Profit before Depreciation, Interest & Tax	8,272.62	32,485.76
PBDIT as % of Income	6.83%	22.08%

CASH PROFIT AFTER TAX

₹ in Lacs		
Particulars	31.03.2015	31.03.2014
Cash Profit after Tax	(6,249.65)	16,574.14
Cash profit after Tax as % of Income	-5.16%	11.26%

NET PROFIT

₹ in Lacs		
Particulars	31.03.2015	31.03.2014
Net Profit after Tax	(15,704.92)	9,004.00
Net Profit as % of Income	-12.96%	6.12%

BALANCE SHEET- CONSOLIDATED

₹ in Lacs		
Particulars	As at March 31, 2015	As at March 31, 2014
EQUITY AND LIABILITIES		
(a) Share Capital	24,231.94	24,231.94
(b) Reserves and Surplus	171,006.52	198,647.77
	195,238.46	222,879.71
Minority Interest	1,903.23	1,963.94
Non-Current Liabilities		
(a) Long-term borrowings	1,848.87	19,235.84
(b) Deferred tax liabilities (Net)	-	-
(c) Long term provisions	271.66	207.39
	2,120.52	19,443.23
Current Liabilities		
(a) Short-term borrowings	135,399.30	117,635.45
(b) Trade payables	26,573.11	27,433.96
(c) Other current liabilities	58,685.99	39,754.21
(d) Short-term provisions	5,486.27	7,287.34
	226,144.67	192,110.96
Total	425,406.89	436,397.85
ASSETS		
Non-current assets		
(a) Fixed assets		
(i) Tangible assets	39,419.79	51,574.87
(ii) Intangible assets	13,908.29	17,205.96
(iii) Capital work-in-progress	3,230.79	4,655.72
	56,558.87	73,436.55
Goodwill on Consolidation	42,114.00	42,114.00
(b) Non-current investments	1.09	1.09
(c) Deferred tax assets (net)	7,350.43	7,073.83
(d) Long term loans and advances	8.34	8.34
(e) Other non-current assets	6,574.87	7,145.59
	13,934.74	14,228.85
Current assets		
(a) Inventories	74,992.57	78,913.28
(b) Trade receivables	184,271.99	172,710.42
(c) Cash and Cash Equivalents	2,599.74	2,014.86
(d) Short-term loans and advances	47,528.17	50,887.28
(e) Other current assets	3,406.81	2,092.61
	312,799.28	306,618.45
Total	425,406.89	436,397.85

NET WORTH

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Share Capital	24,231.94	24,231.94
Reserves & Surplus	171,006.52	198,647.77
Net Worth	195,238.46	222,879.71

LOAN FUNDS

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Total Loan Funds	164,172.19	149,067.39

FIXED ASSETS

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Net block of Tangible Assets	39,419.79	51,574.87
Net block of Intangible Assets	13,908.29	17,205.96
Total Net Block	53,328.08	68,780.83

GOODWILL

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Opening Balance	42,114.00	42,114.00
Additions/Deletion during the year net of Capital Reserve	-	-
Closing Balance	42,114.00	42,114.00

RAW MATERIAL INVENTORY

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Raw materials & Consumables	53,779.08	63,675.27
Number of days to Consumption	276	339

FINISHED GOODS AND WORK IN PROCESS

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Finished Goods	5,011.69	2,655.87
Work in Process	9,952.65	11,916.98
Stock of Finished Goods and Work in Process	14,964.34	14,572.85
Number of days to Sales	46	38

DEBTORS

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Debtors	184,271.99	172,710.42
Number of days to Sales	567	448

CURRENT LIABILITIES

₹ in Lacs

Particulars	31.03.2015	31.03.2014
Current Liabilities	48,878.48	53,382.29
Number of days to Sales	150	138

CONSERVATION OF ENERGY

Your Company does not fall under the category of power intensive industries. However, sustained efforts are taken to reduce energy consumption. The organization is an ISO 14001 certified Company which is an international Environment Management System Standard. The environmental policy of your company aims at conservation of natural resources and minimization of pollution.

FOREIGN EXCHANGE EARNINGS AND OUTGO.

Your Company earned ₹ 11,574.37 lacs in foreign exchange in the year under review.

Foreign Exchange Outflow was ₹ 7,416.16 Lacs.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

A Statement containing the names of every employee employed throughout the financial year and in receipt of remuneration in excess of ₹ 60 Lakhs or more or employed part of year and in receipt of remuneration in excess of ₹5 Lakhs or more, a month, under Information as per Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is as follows

Name	Mr. Vinod Ramnani
Designation and Nature of Duties	Chairman and Managing Director / Managerial
Remuneration Received	₹ 5,247,024 perquisites ₹ 2,623,512
Qualification and Experience	Bachelor of Engineering / 36 years
Date of commencement of employment	08.06.1992
Age	59 years
Last employment held	Elekon Industries Pte Limited

Apart from above, there were no employees were covered under the above mentioned provisions.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report

excluding the information on Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the corporate governance requirements set out by SEBI. The report on Corporate Governance as stipulated under the Listing Agreement forms an integral part of this Report. The requisite certificate from the Auditors of the Company confirming compliance with the conditions of corporate governance is attached to the report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have 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 as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

LISTING OF SECURITIES

Your Company's securities are listed on The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).

FIXED DEPOSITS

Your Company has not accepted any fixed deposits from the public during the financial year under review.

DIRECTORS AND KEY MANEGERIAL PERSONNEL

INDUCTION

On the recommendation of Nomination and Remuneration Committee, The Board appointed Ms.Suchitra Misra (DIN 02254365) as Non Executive Director with effect from March 31, 2015. We seek your support in confirming the appointment of Ms.Suchitra Misra, in the ensuing Annual General Meeting.

On the recommendation of Nomination and Remuneration Committee and Audit and Risk Management Committee, The Board appointed Mr.Venkataraman Sundar as Chief Financial Officer (CFO) and Ms.Supriya Kulkarni, as Company Secretary of the Company, with effect from September 12, 2015.

RETIREMENT AND REAPPOINTMENTS

As per the provisions of the Companies Act, 2013, Mr. Jayesh Chandrakant Patel (DIN:01338843), retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. The Board of Directors recommends his appointment. None of the Independent Directors will retire at the ensuing Annual General Meeting.

The Company had appointed Mr. Suleman Adam Merchant (DIN: 00475410) as Non-Executive Director, liable to retire by rotation under the Companies Act, 1956. He is also Independent Director pursuant to Clause 49 of the Listing Agreement

In terms of provisions of Companies Act, 2013, Independent Directors are not liable to retire by rotation. It is proposed to appoint the aforementioned Director as Independent Director at the AGM for a period of three years with effect from the date of the AGM.

Appropriate resolutions and Brief resume of the Directors seeking appointment / re-appointment at the Annual

General Meeting, as required under Clause 49 of the Listing Agreement and Companies Act 2013, forms part of the Notice convening the Annual General Meeting.

MANAGING DIRECTOR.

The tenure of office of Mr. Vinod Ramnani as Managing Director expired on 31st May 2015.

Based on the recommendation of the Nomination and Remuneration Committee, your Board of Directors at its meeting held on 29th May 2015, re-appointed him as Managing Director for a period of 5 years with effect from 1st June 2015, Member's support is sought in confirming the re appointment of Mr. Vinod Ramnani, in the ensuing Annual General Meeting.

RESIGNATIONS

During the period under review, Mr. Balasubramaniam. V (DIN 01177493) Independent Director resigned with effect from December 23, 2014 and Mr. Bhaskar Bodapati Director (DIN 02210156) resigned with effect from January 09, 2015.

Mr. P. V. Rao Chief Financial Officer resigned with effect from May 12, 2015. Mr. Venkataraman Sundar, Company Secretary resigned with effect from September 12, 2015.

The Board places on record its appreciation for the services rendered by them during their tenure with the Company.

DECLARATION BY INDEPENDENT DIRECTORS.

The Company has received necessary declaration from Independent Directors that they meet the criteria of independence laid down in section 149 (6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Training of Independent Directors.

To familiarize the new inductees with strategy operations and functions of our Company, senior managerial personnel make presentations on Company's strategy, Organization structure, Products, technology, quality, facilities. Further at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his or her role, function, duties and responsibilities as a Director.

POLICY ON DIRECTORS APPOINTMENT REMUNERATION AND EVALUATION.

The Nomination Remuneration and Evaluation Policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of director and other matters provided under Sub section (3) of Section 178 of the Companies Act, 2013 adopted by the Board, is appended as Annexure 1 to the Board's Report. The Policy also contains the evaluation framework as stipulated under the Clause 49 of the Listing Agreement which mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

MEETINGS OF THE BOARD

Eleven Meetings of the Board of Directors were held during the year. For further details, please refer report on Corporate Governance on page No. 32 of this Annual Report.

COMMITTEES OF THE BOARD.

Currently, the Board has Five Committees: Audit and Risk Management Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee, Stakeholders Relationship Committee and, Finance Committee.

A detailed note on the Composition and Scope of the Committees is provided under the Corporate Governance Section in this Annual Report.

AUDITORS

At the Annual General Meeting held on September 30, 2014 M/s Anand Amarnath & Associates, Chartered Accountants, Bengaluru, were appointed as Statutory Auditors of the Company, hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2017. In terms of First proviso to Section 139 of Companies Act, 2013, the appointment of auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s Anand Amarnath & Associates, Chartered Accountants as Statutory Auditors of the Company is placed for ratification of shareholders.

The Company has received letter from the Statutory Auditors to the effect that their reappointment, if made, would be in accordance with provisions of Section 141 of the Companies Act, 2013.

SECRETARIAL AUDITOR

The Board has appointed Mr. Vijayakrishna KT, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as Annexure 2 to this Report. The Board of Directors of the Company hereby furnish following explanations and clarifications with respect the observations made by the Secretarial Auditors in their report dated November 18th 2015

under the heading observations in points (a) and (b):

(a) The Company will take necessary steps to comply the appointment of Internal Auditor.

(b) Due to technical issues in making the requisite returns, digitally signing the same and uploading, delays occurred in filings of certain returns. Extreme levels of care and caution will be exercised to ensure that such delays do not occur again.

RISK MANAGEMENT

The Company has laid down risk assessment and minimization procedures which are in line with the best practices in the industry and as per its experience and objectives. The risk management system is reviewed periodically and updated.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://www.optoindia.com/pdf/OCIL-Policy on Related Party Transactions.pdf>.

Your Directors draw attention of the members to Note No.28 to the financial statement which sets out related party disclosures.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the standalone financial statements.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee (CSR Committee) appointed by the Board, has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link: <http://www.optoindia.com/pdf/OCIL - CSR Policy.pdf>

In terms of Section 134 of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014, the annual Report on Corporate Social Responsibility activities of the Company is given in Annexure 3 to this report.

This being the first year of implementation of the Companies Act, 2013, owing to the operational challenges and fund constraints, your Company was unable to undertake CSR activities for the financial year 2014 -15.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a vigil mechanism and Whistle Blower Policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct to Chief Vigilance Officer and Audit & Risk Management Committee of the Board. The Company further confirms that no personal have been denied access to the Audit & Risk Management Committee.

The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: <http://www.optoindia.com/pdf/OCIL - Whistle Blower Policy.pdf>

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as Annexure 4 to this Report.

SIGNIFICANT AND MATERIAL ORDERS.

No order was passed by any court or regulator or tribunal during the year under review which impacts going concern status of the Company.

AUDITORS OBSERVATIONS

AUDITORS OBSERVATION ON STANDALONE FINANCIAL STATEMENTS

The Board of Directors of the Company would like to give the following explanations and clarifications with respect to the Qualifications/ observations made by the Auditors in their Report dated 01st December, 2015 for the Stand alone Financial Statements under the heading Basis for Qualified Opinion in points [1] to [4], under Emphasis Matters in points [a] to [b] and Response to Annexure to the Auditors Report point [7]

Response to Qualified Opinion

[1] Receivables: The Company is constantly pursuing this long overdue with the debtors and that the progress is encouraging. We are confident that good progress will be made in this Financial Year.

[2] [i] Bank Borrowings-[Working Capital] Default in Repayment:

Bank of Nova Scotia – The Bank has filed a petition in the Hon'ble High Court of Karnataka for Winding up and the Company is contesting the case. The Company has also submitted a Proposal for Repayment of the Loan as approved by the Board of Directors seeking time for Repayment in a phase manner; Response from the bank to the Company's proposal is awaited.

[ii] HDFC Bank Ltd - The Bank has filed a petition in the Hon'ble High Court of Karnataka for Winding up and the Company is contesting the case. The Company has also submitted a Proposal for Repayment of the Loan as approved by the Board of Directors seeking time for Repayment in a phase manner; Response from the bank to the Company's proposal is awaited.

[iii] State Bank of India - The Bank has issued a Notice under the SARFESAI Act for recovery of its dues from the company

and also filed a petition before the Debt Recovery Tribunal, Karnataka. The Company is having discussions and meetings with the bank on an 'on-going' basis with respect to the repayment of the overdues.

[3] Advances to Advanced Micronics Devices Ltd [59% subsidiary of the Company]- Advanced Micronics Devices Ltd [AMD] has reduced its activities in one of the SBUs in July 2015 only due to slowing down of the business and delay in collection of its Receivables. AMD has plans to revive its Lines of Business and operations, while it has cleared all its secured debts to the banks. The Company's Board is confident of its revival which would enable the Company to recover the Advances from AMD in a phased manner.

[4] Vishakapatnam SEZ Plant- Hud-Hud Cyclone and its Impact - The Company has engaged a professional Firm of Insurance surveyor to reassess the losses and quantify the same to prefer and Resubmit an Insurance Claim with the Insurance Company and it is in an advanced stage; The Company has also assessed the quantum of the Loss to the tune of ₹ 181.40 Crores and the same was provided in December 2014 and for the Financial year ending March 2015. The Company is working with the Insurance Company towards getting its claim settled.

Response to Emphasis of Matters:

[a] Payment of Dividend- This amount represents dividends to promoters/ associates and would be paid in due course.

[b] Investment in Indian and Overseas subsidiaries - Share Certificates- As regards some of the overseas subsidiaries, including Cardiac Science Corporation, USA and Criticare Systems Inc, USA, the said Share certificate/s representing the Equity shares have been under Pledge with DBS Bank, Singapore and that the copy of the Pledge Agreement with the Bank and copies of the Share certificates have been provided. As regards, UnitexisVascular Inc, USA the Shares are under security to Indusind Bank and that the same has been disclosed and provided. With respect to the other Overseas and Indian subsidiaries the share certificates, copies would be provided again and the same is noted. Every Investment made in Overseas subsidiary was madethro' Authorised Dealer as per FEMA/ RBI guidelines thro' ODI forms etc and all such related documentation were provided.

Response to Annexure to the Auditors Report

[7] Regarding filing of Income Tax return: The Company is in the process of filing belated return under section 139(4) of the Income Tax Act, 1961.

AUDITORS OBSERVATION ON CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors of the Company would like to give the following explanations and clarifications with respect to the Qualifications/ observations made by the Auditors in their Report dated 1st December, 2015 for the Consolidated Financial Statements under the heading Basis for Qualified Opinion in points [1] to [16]

Response to Qualified Opinion

[1] Payment of Dividend: Refer point No. [a] under our reply to Auditors Standalone observations listed above.

[2] Investment in Indian and Overseas subsidiaries: Refer point No. [b] under our reply to Auditors Standalone observations listed above.

[3] Non-moving Stock:

[a] Advances Micronics Devices Ltd [AMDL] had reduced its activities in one of the SBUs due to slowing down of the business and slowdown in collecting its Receivables. AMDL has plans to revive its Lines of Business and operations, while it has cleared all its secured debts to the banks. The Company's Board is confident of its revival. The operations of this subsidiary is being revamped; those business lines that do not generate profit are being closed and good one pursued; the Company is continuing its efforts to dispose these stocks.

[b], [c] & [d] Non-moving stock of OptoEurocor Healthcare Ltd, Eurocor Malaysia & Eurocor Singapore: We will take a call on the quality of these stocks and take necessary action in this financial year.

[4] [a] & [b] Receivables: The Company is constantly pursuing these long overdues with the debtors and that the progress is encouraging.

[4] [c] Advances Micronics Devices Ltd [AMDL] had reduced its activities in one of the SBUs due to slowing down of the business and slowdown in collecting its Receivables. AMDL has plans to revive its Lines of Business and operations, while it has cleared all its secured debts to the banks. The Company's Board is confident of its revival. The operations of this subsidiary is being revamped; those business lines that do not generate profit are being closed and good one pursued; the Company is continuing its efforts to recover the pending receivables in phased manner.

[5] Default in repayments to Banks: Refer point No. [2] under our reply to Auditors Standalone observations listed above.

[6] Regarding wholly owned subsidiary Cardiac Science Corporation: Information relating to the above entity has been explained elsewhere in the Directors' Report which may please be referred to.

[7] & [8] Advances to Advanced Micronics Devices Ltd: Refer point No. [3] under our reply to Auditors Standalone observations listed above.

[9] AMDL has a branch at USA. Since there is no mandatory requirement for such branch audit in USA and also considering the cost involved, the company had deferred its audit plans of this US Branch, but, however, have instituted adequate internal control systems, checks and mechanisms in place and is directly monitoring the same.

[10] & [11] Audit of Eurocor GmbH, Eurocor Malaysia & Eurocor Singapore: We are in the process of arranging to have accounts audited and the same will be completed in the due course.

[12] Payment of Dividend from Advanced Micronic Devices Ltd to its Holding Company: The dividend will be paid in due course.

[13] Service Tax Liability in Advanced Micronic Devices Ltd: The Company will take a legal opinion and take an appropriate decision on this matter.

[14] Eurocor Malaysia and Eurocor Singapore Operations: The business in both these entities will be revived in due course.

[15] Cardiac Science Corporation and Criticare Systems Inc.: Refer to the observations made in the Directors report elsewhere.

[16] Vishakapatnam SEZ Plant: Refer point No. [4] under our reply to Auditors Standalone observations listed above.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Your Company has always believed in providing a safe and harassment free workplace for every individual working in Company's premises through various interventions and practices. The Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment.

A policy on Prevention of Sexual Harassment at Workplace has been released by the Company. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. Three member Internal Complaints Committee (ICC) was set up from the senior management with women employees constituting majority. The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy.

No complaints pertaining to sexual harassment was reported during the year.

ACKNOWLEDGEMENTS

Your Directors greatly appreciate the commitment and dedication of employees at all levels that have contributed to the growth and success of your Company. Your Company also thank all our stakeholders, customers, vendors, investors, bankers and other business associates for their continued support and encouragement during the year.

For and on behalf of the Board

VINOD RAMNANI

Chairman & Managing Director

Place: Bengaluru

Date: 3rd December, 2015

OPTO CIRCUITS (INDIA) LIMITED

ANNEXURE 1- NOMINATION, REMUNERATION AND EVALUATION POLICY

This Nomination, Remuneration and Evaluation Policy (the "Policy") applies to the Board of Directors (the "Board"), Key Managerial Personnel (the "KMP") and the Senior Management Personnel of Opto Circuits (India) Limited (the "Company").

1. DEFINITIONS

- "Director" means a director appointed to the Board of a company;
- "Independent Director" shall have the meaning as defined under the Companies Act, 2013 read with relevant rules and the Clause 49 of the Listing agreement; as amended from time to time.
- "Key Managerial Personnel (KMP) means—
 - i. Chairman & Managing Director;
 - ii. Company Secretary,
 - iii. Whole-time Director;
 - iv. Chief Financial Officer; and
 - v. Such other Officer as may be prescribed.

• **"Managing Director"** means a director who, by virtue of the articles of a company or an agreement with the company or a resolution passed in its general meeting, or by its Board of Directors, is entrusted with substantial powers of management of the affairs of the company and includes a director occupying the position of managing director, by whatever name called.

Explanation—for the purposes of this clause, the power to do administrative acts of a routine nature when so authorised by the Board such as the power to affix the common seal of the company to any document or to draw and endorse any cheque on the account of the company in any bank or to draw and endorse any negotiable instrument or to sign any certificate of share or to direct registration of transfer of any share, shall not be deemed to be included within the substantial powers of management;

• **The term "Senior Management Personnel"** means personnel of the company who are Members of its core management team excluding Board of Directors comprising all members of management one level below the executive Directors, including the functional heads. In reference to the company, the senior management personnel would refer to personnel occupying the positions identified in as per the organizational framework of the Company.

- "Whole-time director" includes a director in the whole-time employment of the company;
 - Words and definitions not defined herein shall have the same meaning as provided in the Companies Act, 2013 read with relevant rules and the Clause 49 of the Listing agreement or other relevant provisions; as may be applicable.
- This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement; as amended from time to time.

2. PURPOSE

The primary objective of the Policy is to provide a framework and set standards for the Nomination, remuneration and evaluation of the Directors, Key Managerial Personnel and Senior Management Personnel. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management Personnel.

The objectives of the policy thus would be:-

- i. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Key Managerial and Senior Management positions and to determine their remuneration.
- ii. To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies.
- iii. To establish framework for evaluation of the performance of Directors including Independent Directors, Committees and Board.
- iv. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- v. To devise a policy on Board diversity

3. ACCOUNTABILITIES

- i. The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.
- ii. The Board has delegated responsibility for assessing and recommending the candidates for the role of Directors, Key Managerial Personnel and laying down the criteria for selection of the Senior Management Personnel of the Company to the Nomination and Remuneration Committee which makes recommendations to the Board.

OPTO CIRCUITS (INDIA) LIMITED

4. NOMINATION AND REMUNERATION COMMITTEE – COMPOSITION & STRUCTURE

The Nomination and Remuneration Committee comprises the following:

- i. The Committee shall consist of a minimum 3 non-executive directors, majority of them being Independent.
- ii. Minimum two (2) members shall constitute a quorum for the Committee meeting.
- iii. Membership of the Committee shall be disclosed in the Annual Report.
- iv. Term of the Committee shall be continued unless terminated by the Board of Directors.
- v. CHAIRMAN - Chairman of the Committee shall be an Independent Director.
- vi. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- vii. In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- viii. Chairman of the Nomination and Remuneration Committee meeting or any other person authorized by him shall be present at the Annual General Meeting. The Chairman may also nominate some other member to answer the shareholders' queries.

COMMITTEE MEMBERS INTERESTS

- i. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- ii. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee

VOTING

- i. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- ii. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

5. NOMINATION AND REMUNERATION COMMITTEE – RESPONSIBILITY

The Nomination and Remuneration Committee is responsible for:

- i. reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board annually

and making recommendations on any proposed changes to the Board to complement the Company's corporate strategy.

- ii. identifying individuals suitably qualified to be appointed as the Executive Directors;
- iii. Independent Directors and the KMPs and Senior Management Personnel for the Company;
- iv. recommending to the Board on the selection of individuals nominated for directorship;
- v. formulating the criteria for determining qualification, positive attributes and recommending to the Board a policy relating to the remuneration for Executive Directors, Key Managerial Personnel and other employees.
- vi. assessing the independence of independent directors, so as to ensure that the individual meets with the requirement prescribed under the Companies Act, 2013 read with Clause 49 of the Listing Agreement;
- vii. such other key issues/matters as may be referred by the Board or as may be necessary in view of the Listing Agreement and provision of the Companies Act 2013 and Rules there under.
- viii. to make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- ix. to devise a policy on Board diversity;
- x. to develop a succession plan for the Board and to regularly review the plan;
- xi. lay down criteria for evaluation of the individual Directors, Committees and Board as a whole.

6. POSITIVE ATTRIBUTES AND QUALIFICATIONS OF DIRECTORS/KMPs/SENIOR MANAGEMENT PERSONNEL.

When recommending a candidate for appointment, the Nomination and Remuneration Committee will have regard to the following qualifications and positive attributes:

- i. assessing the appointee against a range of criteria which includes but not be limited to qualifications, skills, industry experience, background and other qualities required to operate successfully in the position;
- ii. the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company; in case of KMPs and Senior Management Personnel their contribution towards effectiveness of the organization as a whole would be considered ;

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- iii. the nature of existing positions held by the appointee including directorships or other relationships and the impact they may have on the appointee's ability to exercise independent judgment;
- iv. ability of the appointee to represent the company
- v. ability to work individually as well as a member of the Board and senior management
- vi. influential communicator with power to convince other in a positive way;
- vii. ability to participate actively in deliberation and group processes;
- viii. have strategic thinking and facilitation skills;
- ix. act impartially keeping in mind the interest of the company on priority basis;

x. Personal specifications:

- 1. Educational qualification;
- 2. Experience of management in a diverse organization;
- 3. Interpersonal, communication and representational skills;
- 4. Demonstrable leadership skills;
- 5. Commitment to high standards of ethics, personal integrity and probity;
- 6. Commitment to the promotion of equal opportunities, community cohesion and health and safety in the workplace;

7. INDEPENDENCE OF A DIRECTOR

The key role of an Independent Director is to provide an unbiased, varied and experienced Perspective to the Board. While evaluating the candidature of a Director, the committee abides by the criteria for determining Independence as stipulated under Companies Act 2013, Listing Agreements and other applicable regulations or guidelines.

The committee takes a broad perspective with respect to Independence and takes into consideration not only the dealings, transactions, relationships with the concerned Individual Director but also with relatives, entities and organizations affiliated to it. The Committee, along with the Board, regularly reviews the skill, characteristics required from the Board & Individual Directors. One of the prime objectives of this exercise is to identify competency gaps in the Board and make suitable recommendations. The objective is to have a board of diverse background and experience in business, technology, governance and areas that are relevant for the company.

Besides considering all other qualifications w.r.t to talent,

relevant professional experience, proven track record of performance and achievement, ethics and integrity, ability to bring in fresh and independent perspectives, the Committee objectively evaluates whether an individual can dispassionately discharge the statutory functions of a Director as enshrined in the Companies Act 2013 and Listing Agreement.

8. BOARD DIVERSITY

The Board shall consist of such number of Directors including at least one woman Director as is necessary to effectively manage the Company. The Board shall have an appropriate combination of executive and Independent Directors.

The Nomination & Remuneration Committee will lead the process for Board appointments. All Board appointments will be based on meritocracy in the context of the skills, experience, independence and knowledge which the Board as a whole requires to be effective. The candidates will be considered against objective criteria, having due regard to the benefits of diversity on the Board. The Company believes that increased diversity in Board is associated with better financial performance, greater innovation and has a positive impact on the Company.

9. LETTERS OF APPOINTMENT

Each Director including Executive Directors, Independent Directors and the KMPs, Senior Management Personnel are required to sign the letter of appointment with the Company containing the terms of appointment and the role assigned in the Company.

The term/tenure of the Directors including Executive Directors and Independent Directors shall be in accordance with the applicable laws.

10. REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT PERSONNEL

The Committee will determine individual remuneration packages for Directors and lay down criteria for deciding upon the remuneration of KMPs and Senior Management of the Company taking into account factors it deems relevant, including but not limited to market, business performance and practices in comparable companies, having due regard to financial and commercial health of the Company as well as prevailing laws and government/other guidelines.

The core factors taken into consideration are:

- a) Industry Practice and Bench marks;
- b) Long-term value creation.

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- c) Reward achievement of results on the basis of prudent practice, responsibility and risk taking abilities.
- d) Attract and retain and motivate the best professionals.
- e) Reward the experience and professional track record.
- f) Ensure equity within the Group and competitiveness outside it.
- g) Ensure transparency in its remuneration policy

11. FOR EXECUTIVE DIRECTORS (MANAGING DIRECTORS AND WHOLE TIME DIRECTORS)

Section 197(1) of the Companies Act, 2013 provides for the total managerial remuneration payable by the Company to its directors, including managing director and whole time director, and its manager in respect of any financial year shall not exceed eleven percent of the net profits of the Company computed in the manner laid down in Section 198 in the manner as prescribed under the Act.

The Company with the approval of the Shareholders and Central Government may authorise the payment of remuneration exceeding eleven percent of the net profits of the company, subject to the provisions of Schedule V.

The Company may with the approval of the shareholders authorise the payment of remuneration up to five percent of the net profits of the Company to its anyone Managing Director/Whole Time Director/Manager and ten percent in case of more than one such officer.

12. FOR NON-EXECUTIVE DIRECTORS

The Company may pay remuneration to its directors, other than Managing Director and Whole Time Director up to one percent of the net profits of the Company, if there is a managing director or whole time director or manager and three percent of the net profits in any other case. Section 197(5) provides for remuneration by way of a fee to a director for attending meetings of the Board of Directors and Committee meetings or for any other purpose as may be decided by the Board.

The Independent Directors shall not be entitled to any stock option and may receive remuneration by way of fee for attending meetings of the Board or Committee thereof or for any other purpose as may be decided by the Board and profit related commission as may be approved by the members.

The sitting fee to the Independent Directors & Woman Director shall not be less than the sitting fee payable to other directors.

General:-

- i. The remuneration payable to the Directors shall be as per

the Company's policy and shall be valued as per the Income Tax Rules.

- ii. The remuneration payable to Directors shall be subject to the approval of Shareholders, if required, as per the provisions of applicable laws.

iii. The net profits for the purpose of the above remuneration shall be computed in the manner referred to in Section 198 of the Companies Act, 2013.

- iv. The company may opt for Directors including independent directors & Officers Liability Insurance, in accordance with the policy.

v. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

For Key Managerial Personnel and Senior Management Personnel.

- i. The remuneration payable to the Key Managerial Personnel and the Senior Management shall be as per the criteria decided by the Committee having regard to their experience, leadership abilities, initiative taking abilities and knowledge base.

For other employees.

- i. The policy for determination of the remuneration of employees other than Directors, KMPs and Senior Management personnel shall be as per the normal process followed by the Company.

13. EVALUATION/ ASSESSMENT OF DIRECTORS OF THE COMPANY

The committee shall undertake a formal and rigorous annual evaluation of the Board, including its committees and individual directors. The evaluation of performance of the Board shall be independent and objective and should take into account the overall impact of their functioning on the company and its stakeholders. Besides the performance evaluation of individual directors evaluation of the performance of the committees and the Board as a whole is also required to be conducted. The performance evaluation shall be undertaken on yearly basis, starting from financial year 2014-15, the schedule of which may be laid down by the Committee.

The committee is required to establish mechanism for Performance Evaluation & Assessment of the Directors

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including the Independent Directors. The evaluation/assessment of the Directors of the Company is to be conducted on an annual basis to cater to the requirements of the Companies Act 2013 and the requirements of the Listing Agreement.

The following criteria may assist in determining how effective the performances of the Directors have been:

- i. Leadership Qualities Contributing to corporate objectives & plans
- ii. Communication of expectations & concerns clearly with colleagues
- iii. Obtain adequate, relevant & timely information from external sources.
- iv. Review & approval achievement of strategic and operational plans, objectives, budgets
- v. Regular monitoring of corporate results against projections
- vi. Identify, monitor & mitigate significant corporate risks
- vii. Assess policies, structures & procedures
- viii. Effective meetings
- ix. Assuring appropriate board size, composition, independence, structure
- x. Clearly defining roles & monitoring activities of committees
- xi. Review of organization's ethical conduct

A series of assessment questionnaire to enable such evaluation being conducted shall be finalized by the Committee. Once the assessment is completed, the Committee shall evaluate such assessments. The Company may engage external consultants / agencies to provide assistance in the evaluation process.

Performance Review by Independent Directors

In accordance with the mandate given under Companies Act 2013 & Clause 49 of the listing agreement, Independent Directors will hold at least one separate meeting without the attendance of non-independent directors and members of management starting from the financial year 2014- 15 onwards.

The meeting shall:

- (a) Review the performance of non-independent directors and the Board as a whole;
- (b) Review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) Assess the quality, quantity and timeliness of flow of information between the company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Performance of the respective Committees shall be done by the Board. The performance evaluation shall be undertaken on yearly basis, starting from financial year 2014-15, the schedule of which may be laid down by the Committee.

14. SUCCESSION PLANNING

The Company recognizes the need of a formal, proactive process which can assist in building a leadership pipeline/ talent pool to ensure continuity of leadership for all critical positions. Succession planning involves assessment of challenges and opportunities facing the company, and an evaluation of skills and expertise that would be required in future.

The nomination and remuneration committee will work with the Board to develop plans and processes for orderly succession to the board and senior management. The Committee shall endeavor to develop a diverse pool of candidates who may be considered to fill the gap in Board positions or senior management in case of any eventuality. The committee would ensure that the Company is prepared for changes in senior management, either planned or unplanned. Succession Planning Process would cover identification of internal candidates, development plans for internal candidates, and identification of external candidates. The Committee would also assist in formulating an emergency succession contingency plan for unforeseen events like death, disability etc.

The Board will periodically monitor the review and monitor the succession planning process.

15. REVIEW OF THE POLICY

This Policy shall be reviewed by the Nomination and Remuneration committee on annual basis (unless an earlier review is required) to ensure that it meet the requirements of latest market requirements and trends and the Nomination and Remuneration committee shall make recommendations to the Board on required amendments.

For and on behalf of the Board of Directors

VINOD RAMNANI
Chairman & Managing Director

Place: Bengaluru
Date: 3rd December, 2015.

**ANNEXURE -2 SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2015**

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

To
The Members,
OPTO CIRCUITS (INDIA) LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Opto Circuits (India) Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2015 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Opto Circuits (India) Limited for the financial year ended on 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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; and
 - (h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;
- (vi) There are no Industry specific laws applicable to the Company.

I have further reviewed the systems and mechanism established by the Company for ensuring compliance under the other applicable Acts, Rules, Regulations and Guidelines prescribed under various laws which are applicable to the Company and are categorized under the following major heads/groups:

1. Factories Act, 1948;
2. Labour laws and other incidental laws related to labour and employees appointed by the Company including those on contractual basis as relating to wages, gratuity, prevention of sexual harassment, dispute resolution welfare, provident fund, insurance, compensation etc.;
3. Industrial (Development Regulation) Act, 1991;

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4. Acts relating to consumer protection including the Competition Act, 2002;
5. Acts and Rules prescribed under prevention and control of pollution;
6. Acts and Rules relating to Environmental protection and energy conservation;
7. Acts and Rules relating to hazardous substances and chemicals;
8. Acts relating to Electricity, fire, petroleum, drugs, motor vehicles, explosives, Boilers, etc.;
9. Acts relating to protection of IPR;
10. Land revenue laws; and
11. Other local laws as applicable to various plants and offices.

I have also examined compliances with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (came into effect from 1st July, 2015; hence not applicable for the financial year ended 31.03.2015).
- (ii) The Listing Agreements entered into, by the Company with the BSE Limited (BSE), National Stock Exchange (NSE).

I further state that during the period under review and based on my verification of the records maintained by the Company and also on the review of compliance reports/statements by respective department heads/Chief Financial Officer/ Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control mechanism exist in the Company to monitor and ensure compliance with applicable labour laws, environmental laws and other applicable laws as mentioned above. Certain non material findings made during the course of the audit relating to the provisions of Companies Act, Labour Laws were addressed suitably by the Management. Following observations have been brought before the shareholders which are treated as material in nature:

a) Section 138 (Appointment of Internal Auditor) is not complied with.

b) The Company has not filed certain returns before the Registrar of Companies as required under Section 117 (3) (g) read with Section 179 (3) read with rule of The Companies (Meetings of the Board and its Powers) Rules, 2014, Section 203 of the Companies Act, 2013 and Section 93 read with rule 13 of The Companies (Management and Administration) Rules, 2014. I further report that I have not reviewed the applicable financial laws, direct and indirect tax laws since the same have been subject to review and audit by the Statutory Auditors of the Company.

I 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. The changes in the composition of the Board of Directors which took place during the period under review were carried out in compliance with the provisions of the Act.

As per the information received from the Company Secretary, 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 as per the practice followed. However, during the period under report, there was no such case instance.

I 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.

I further report that during the year the Company has passed the following resolutions through postal ballot vide notice dated 23.10.2014

1. Increase in Authorized Capital and corresponding alteration of Memorandum of Association;
2. Alteration of Articles of Association;
3. Raising of funds for the Company and its Indian/ Overseas subsidiaries through issue of Securities in the International markets;
4. To increase the limit of shareholding by Registered Foreign Institutional investors (FIIs) from 49% to 60% of the Paid up Equity Share Capital of the Company.

Signature
(VIJAYAKRISHNA KT)
FCS No.: 1788
C P No.: 980

Place: Bengaluru
Date: 18th November, 2015

ANNEXURE – 3 ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES.

1. BRIEF OUTLINE OF CSR POLICY

The Board of Directors upon the recommendation of the Corporate Social Responsibility Committee has identified the following areas listed in Schedule VII of the Companies Act, 2013 for carrying out its CSR activities:

- I. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
- II. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- III. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- IV. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water;
- V. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- VI. Measures for the benefit of armed forces veterans, war widows and their dependents;
- VII. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
- VIII. contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- IX. Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government
- X. Rural development projects.
- XI. Slum area development
- XII. Any other Projects / activities the Government may add from time to time to the Schedule VII of the Companies Act, 2013 or allow through clarifications/ Circulars.
- XIII. Any ancillary or incidental activities required to be performed to undertake any of the projects mentioned above subject to the prior approval of the CSR Committee.

The detailed CSR Policy may be accessed on the Company's website at the link: <http://www.optoindia.com/pdf/OCIL - CSR Policy.pdf>

2. COMPOSITION OF CSR COMMITTEE

The Corporate Social Responsibility (CSR) Committee comprises of the following members:

Sl.No	Name	Designation
1	Mr. Rajkumar Raisinghani – Independent Director	Chairman
2	Mr. Vinod Ramnani – Chairman and Managing Director	Member
3	Dr. Anvay Mulay – Independent Director	Member

3. AVERAGE NET PROFITS

The average net profits, i.e. profits before tax of the Company during the three immediately preceding financial years were Rs.17819.14 Lakhs.

4. PRESCRIBED CSR EXPENDITURE

The Prescribed CSR expenditure was Rs. 356.38 Lakhs, i.e. 2% of the average net profits mentioned in point 3 above.

5. DETAILS OF CSR SPENT

The Company has not spent on CSR activities for the financial year 2014 -2015. The reason for the same has been explained in the Boards' Report.

6. RESPONSIBILITY STATEMENT

The implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors

RAJKUMAR RAISINGHANI
Chairman, CSR Committee
(DIN : 01411084)

VINOD RAMNANI
Chairman & Managing Director
(DIN :01580173)

Place: Bengaluru
Date: 3rd December, 2015

ANNEXURE - 4 EXTRACT OF ANNUAL RETURN

FORM NO MGT - 9

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules 2014]

REGISTRATION AND OTHER DETAILS

Corporate Identity Number (CIN) of the Company	L 8 5 1 1 0 K A 1 9 9 2 P L C 0 1 3 2 2 3
Registration date	June 08, 1992
Name of the Company	Opto Circuits (India) Limited
Category / Sub-category of the Company	Medical Technology & Consumables
Address of the registered office and contact details	No.83, Electronic City, Hosur Road, Bangalore – 560 100, Karnataka, India, Tel: 91 80 28521040/41, Fax: 91 80 2852 1094, e-mail: investorsservices@optoindia.com, website: www.optoindia.com
Listed Company (yes / No)	Yes
Name, address and contract details of Registrar and transfer agent	Karvy Computershare Private Limited Unit: Opto Circuits (India) Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad – 500 032 Contact person: Ms. Shobha Anand Assistant General Manager Tel: 91 40 67161559 e-mail: mailmanager@karvy.com

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Name and description of main products / services	NIC code of the product / service	% to total turnover of the Company
Optical Sensing Devices & Assemblies	380.9	100

PARTICULARS OF HOLDING SUBSIDIARY AND ASSOCIATES COMPANIES

Particulars	Country	CIN/GLN	Holding / subsidiary associate	% holding as at March 31, 2015	Applicable section
Advanced Micronic Devices Ltd	India	L30007KA1994PLC015445	Subsidiary	59.71	Section 2(87)
Mediaid Inc	USA	NA	Subsidiary	100	Section 2(87)
Devon Innovation Pvt Ltd	India	U29297KA1991PTC011705	Subsidiary	100	Section 2(87)
Ormed Medical Technology Ltd	India	U24231TN19900LC019022	Subsidiary	100	Section 2(87)
Opto Infrastructure Ltd	India	U70102KA2007PLC044004	Subsidiary	87.20	Section 2(87)
Maxcore Life science Inc	USA	NA	Subsidiary	100	Section 2(87)
Opto Circuits (Malaysia) Sdn. Bhd	Malaysia	NA	Subsidiary	100	Section 2(87)
Opto Cardiac Care Ltd	India	U85110KA2008PLC047726	Subsidiary	100	Section 2(87)
Opto Eurocor Healthcare Ltd	India	U30007KA1994PLC015355	Subsidiary	96.85	Section 2(87)

SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK-UP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise shareholding

CATEGORY CODE	CATEGORY OF SHAREHOLDER	No of Shares held at the beginning of the year March 31, 2014				No of Shares held at the end of the year March 31, 2015				% change during the year.
		Demat	Physical	Total	% OF TOTAL SHARES	Demat	Physical	Total	% OF TOTAL SHARES	
I	II	III	IV	V	VI	VII	VIII	IX	X	XI
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	55,294,740		55,294,740	22.82	55,444,740		55,444,740	22.88	0.06
(b)	Central Government/ State Government(s)	0		0	0.00	0		0	0.00	0.00
(c)	Bodies Corporate	0		0	0.00	0		0	0.00	0.00
(d)	Financial Institutions / Banks	0		0	0.00	0		0	0.00	0.00
(e)	Others	0		0	0.00	0		0	0.00	0.00
	Sub-Total A(1) :	55,294,740		55,294,740	22.82	55,444,740		55,444,740	22.88	0.06
(2)	FOREIGN			0	0.00			0	0.00	0.00
(a)	Individuals (NRIs/Foreign Individuals)	13,076,150		13,076,150	5.40	13,076,150		13,076,150	5.40	0.00
(b)	Bodies Corporate	0		0	0.00	0		0	0.00	0.00
(c)	Institutions	0		0	0.00	0		0	0.00	0.00
(d)	Qualified Foreign Investor	0		0	0.00	0		0	0.00	0.00
(e)	Others	0		0	0.00	0		0	0.00	0.00
	Sub-Total A(2) :	13,076,150		13,076,150	5.40	13,076,150		13,076,150	5.40	0.00
	Total A=A(1)+A(2)	68,370,890		68,370,890	28.22	68,520,890		68,520,890	28.28	0.06
(B)	PUBLIC SHAREHOLDING			0	0.00			0	0.00	0.00
(1)	INSTITUTIONS			0	0.00			0	0.00	0.00
(a)	Mutual Funds /UTI	3,385		3,385	0.00	2629		2,629	0.00	0.00
(b)	Financial Institutions / Banks	4,195,457		4,195,457	1.73	4,500,002		4,500,002	1.86	0.13
(c)	Central Government / State Government(s)	0		0	0.00	0		0	0.00	0.00
(d)	Venture Capital Funds	0		0	0.00	0		0	0.00	0.00

CATEGORY CODE	CATEGORY OF SHAREHOLDER	No of Shares held at the beginning of the year March 31, 2014				No of Shares held at the end of the year March 31, 2015				% change during the year.
		Demat	Physical	Total	% OF TOTAL SHARES	Demat	Physical	Total	% OF TOTAL SHARES	
(e)	Insurance Companies	0		0	0.00	0		0	0.00	0.00
(f)	Foreign Institutional Investors	70,489,671		70,489,671	29.09	38,411,792		38,411,792	15.85	-13.24
(g)	Foreign Venture Capital Investors	0		0	0.00	0		0	0.00	0.00
(h)	Qualified Foreign Investor	0		0	0.00	0		0	0.00	0.00
(i)	Others	0		0	0.00	0		0	0.00	0.00
	Sub-Total B(1) :	74,688,513		74,688,513	30.82	42,914,423		42,914,423	17.71	-13.11
				0	0.00			0	0.00	0.00
(2)	NON-INSTITUTIONS			0	0.00			0	0.00	0.00
(a)	Bodies Corporate	12,001,677	200,796	12,202,473	5.04	16,127,099	200,796	16,327,895	6.74	1.70
(b)	Individuals			0	0.00			0	0.00	0.00
	(i) Individuals holding nominal share capital upto Rs.1 lakh	40,330,897	208,412	40,539,309	16.73	56,994,212	204,002	57,198,214	23.60	6.87
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh	25,080,278	676,072	25,756,350	10.63	36,136,188	672,899	36,809,087	15.19	4.56
(c)	Others			0	0.00			0	0.00	0.00
	FOREIGN NATIONALS	39		39	0.00	39		39	0.00	0.00
	NON RESIDENT INDIANS	19,803,206	341,312	20,144,518	8.31	19,237,496	341,312	19,578,808	8.08	-0.23
	CLEARING MEMBERS	612,367		612,367	0.25	964,893		964,893	0.40	0.15
	TRUSTS	4,948		4,948	0.00	5,158		5,158	0.00	0.00
(d)	Qualified Foreign Investor	0		0	0.00	0		0	0.00	0.00
				0	0.00			0	0.00	0.00
	Sub-Total B(2) :	97,833,412	1,426,592	99,260,004	40.96	129,465,085	141,9009	130,884,094	54.01	13.05
				0	0.00			0	0.00	0.00
	Total B=B(1)+B(2) :	172,521,925	1,426,592	173,948,517	71.78	172,379,508	141,9009	173,798,517	71.72	-0.06
				0	0.00			0	0.00	0.00
	Total (A+B) :	240,892,815	1,426,592	242,319,407	100.00	240,900,398	141,9009	242,319,407	100.00	0.00
				0	0.00			0	0.00	0.00
(C)	Shares held by custodians, against which Depository Receipts have been issued		0	0.00			0	0.00		
				0	0.00			0	0.00	0.00
(1)	Promoter and Promoter Group			0	0.00			0	0.00	0.00
(2)	Public	0		0	0.00	0		0	0.00	0.00
				0	0.00			0	0.00	0.00
	GRAND TOTAL (A+B+C) :	240,892,815	1,426,592	242,319,407	100.00	240,900,398	1,419,009	242,319,407	100.00	0.00

OPTO CIRCUITS (INDIA) LIMITED

(II) SHAREHOLDING OF PROMOTERS

Shareholding at the beginning of the year				Shareholding at the end of the year			
Name of the Shareholder	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	% Change in shareholding during the year
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
VINOD PARASRAM RAMNANI	34,043,581	14.05	0	34,043,581	14.05	0	0.00
THOMAS DIETIKER	13,076,150	5.40	0	13,076,150	5.40	0	0.00
JAYESH PATEL	11,815,983	4.88	0	11,815,983	4.88	0	0.00
USHA VINOD RAMNANI	9,435,176	3.89	0	9,585,176	3.96	0	0.06
TOTAL :	68370890	28.22	0	68520890	28.28	0.00	0.06

(III) CHANGE IN PROMOTERS SHAREHOLDING

Shareholding at the beginning of the year			Cumulative shareholding during the year	
Name of the Shareholder	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
(i)	(ii)	(iii)	(iv)	(v)
USHA VINOD RAMNANI	9435176	3.89	9435176	3.89
Purchased on Oct 11, 2014	50000	0.02	9485176	3.91
Purchased on Jan 12, 2015	100000	0.04	9585176	3.96

(IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS)

Name of the Shareholder	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
Column1	Column2	Column3	Column5	Column6
(i)	(ii)	(iii)	(iv)	(v)
HSBC GLOBAL INVESTMENT FUNDS A/C HSBC GIF MAURITIUS LTD	16,592,408	6.85	16,592,408	6.85
GENESIS INDIAN INVESTMENT COMPANY LIMITED -GENERAL SUB FUND	13,530,601	5.58	Nil	Nil
EMERGING INDIA FOCUS FUNDS	9,314,707	3.84	9,314,707	3.84
HSBC BANK (MAURITIUS) LIMITED	7,281,049	3.00	6,528,959	2.69
GOVERNMENT PENSION FUND GLOBAL	6,771,517	2.79	Nil	Nil
ANNA THOMAS CHACKO	6,174,434	2.55	4,497,608	1.86
THE MASTER TRUST BANK OF JAPAN, LTD. A/C HSBCINDIA	3,957,867	1.63	3,957,867	1.63
GENESIS ASSET MANAGERS, LLP A/C SMALLER COMPANIES	3,088,272	1.27	Nil	Nil
PUSHPA BOSE	2,798,212	1.15	2,788,061	1.15
GAUTAM GUMNANI	1,982,500	0.82	1,982,500	0.82

(V) SHAREHOLDING PATTERN OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

Name of the Shareholder	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
Column1	Column2	Column3	Column5	Column6
(i)	(ii)	(iii)	(iv)	(v)
VINOD RAMNANI	34,043,581	14.05	34,043,581	14.05
THOMAS DIETIKER	13,076,150	5.40	13,076,150	5.40
JAYESH PATEL	11,815,983	4.88	11,815,983	4.88
DR. SULEMAN ADAM MERCHANT	280,160	0.12	280,160	0.12
DR. ANVAY MULAY	4,325	0.00	4,325	0.00
MR. RAJKUMAR RAISINGHANI	24,700	0.01	24,700	0.01
Purchased on Oct 8, 2014	54,000	0.02	78,700	0.03
Purchased on Oct 10, 2014	15,000	0.01	93,700	0.04
MS. SUCHITRA MISRA	0	0.00	81	0.00
Mr. SUNDAR V	0	0.00	0	0.00
Ms.SUPRIYA KULKARNI	0	0.00	0	0.00

INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

₹ in Lacs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I. Principle Amount	80,779.26	3,907.77	-	84,687.03
II. Interest due but not paid	3,952.09	-	-	3,952.09
III. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	84731.34	3,907.77	-	88,639.11
Change in Indebtedness during the financial year				
• Addition	862.86	1,448.00	-	2,310.86
• Reduction	(2,790.80)	(1,756.69)	-	(4,547.49)
Net Change	(1927.94)	(308.69)	-	(2,236.63)
Indebtedness at the end of the financial year				
I. Principle Amount	78,851.32	3,639.09	-	82,490.41
II. Interest due but not paid	12,915.11	-	-	12,915.11
III. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	91,766.43	3,639.09	-	95,405.52

Includes exchange difference

OPTO CIRCUITS (INDIA) LIMITED

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

A. REMUNERATION OF MANAGING DIRECTOR

₹ in Lacs

Particulars of remuneration	CMD	WTD	CEO & Manager	Total Amount
	Mr. Vinod Ramnani			
1. Gross Salary				
(a) Salary as per provisions contained in Section 17(1) of the Income- tax Act,1961	52.47	-	-	52.47
(b) Value of perquisites u/s 17 (2) of the Income-tax Act,1961	26.23	-	-	26.23
(c) Profits in lieu of salary under Section 17 (3) Income Tax Act,1961	-	-	-	-
2. Stock option	-	-	-	-
3. Sweat equity	-	-	-	-
4. Commission as % of Profit	-	-	-	-
Other Specify	-	-	-	-
5. Others, please specify	-	-	-	-
Total (A)	78.70	-	-	78.70
Ceiling as per the Act	5% of the net profits of the Company			

B. Remuneration to other directors:

Particulars of remuneration	Name of Directors		
	Dr. Suleman Adam Merchant	Dr. Anvay Mulay	Mr. Rajkumar Raisinghani
1. Independent Directors			
Fee for attending Board Committee meetings	Nil	Nil	Nil
Commission	Nil	Nil	Nil
Others, Please Specify	Nil	Nil	Nil
Total (1)	Nil	Nil	Nil
2. Other Non-Executive Directors	Mr. Thomas Dietiker	Mr. Jayesh Patel	Ms. Suchitra Misra
Fee for attending Board Committee meetings	Nil	Nil	Nil
Commission	Nil	Nil	Nil
Others, Please Specify	Nil	Nil	Nil
Total (2)	Nil	Nil	Nil
Total (1+2)	Nil	Nil	Nil
Total Managerial Remuneration (A+B)	Nil	Nil	Nil
Overall Ceiling as per the Act,	Sitting fees of ₹ 1 lac for attending each Meeting of Board and Committees thereof and 1% of the Net profits of the company for commission.		

OPTO CIRCUITS (INDIA) LIMITED

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTd.

Particulars of remuneration	CFO	CS	Total Amount
1. Gross Salary	49.70	5.54	55.24
(a) Salary as per provisions contained in Section 17(1) of the Income- tax Act,1961	-	-	-
(b) Value of perquisites u/s 17 (2) of the Income-tax Act,196117(1) of the Income- tax Act,1961	-	-	-
(c) Profits in lieu of salary under Section 17 (3) Income Tax Act,1961	-	-	-
2. Stock option	-	-	-
3. Sweat equity	-	-	-
4. Commission as % of Profit	-	-	-
Other Specify	-	-	-
5. Others, please specify	-	-	-
Total	49.70	5.54	55.24

Penalties/ Punishment/ Compounding of offences:

There were no material penalties/ punishment/ compounding of offences for the year ended March 31, 2015.

REPORT ON CORPORATE GOVERNANCE

The report on Corporate Governance in compliance with Clause 49 of the Listing Agreement with Stock Exchanges is as follows:

PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Opto Circuits (India) Limited which endeavors to implement the best Corporate Governance practices by adhering to the well defined policy framework, continuously reviews its policies and practices of Corporate Governance with a clear goal, not merely to comply with statutory requirements in letter and spirit, but also to implement the best international practices of Corporate Governance in the overall interest of all stakeholders. The Company's philosophy on Corporate Governance is to meet the aspirations and expectations of all stake holders. The cardinal principles such as accountability, independence, trust, responsibility, transparency, fair and timely disclosures, etc., serve as the means of implementing the philosophy of Corporate Governance.

Your Company has constantly striven to implement the best Corporate Governance practices and we believe that it shall go beyond adherence to the regulatory framework. Your Company's corporate structure, business and disclosure practices have been aligned to its Corporate Governance philosophy. We will continuously endeavor to improve in these aspects on an ongoing basis.

BOARD OF DIRECTORS

Composition and provisions as to Board and Committees

The Board of Directors of the Company comprises of 7 (Seven) Directors. Mr. Vinod Ramnani is the Chairman & Managing Director. During the year 2014-15, 11 Board Meetings were held on:

Sl. No.	Date of Meeting	Sl. No.	Date of Meeting	Sl. No.	Date of Meeting
01	06.05.2014	02	30.05.2014	03	12.08.2014
04	30.09.2014	05	23.10.2014	06	14.11.2014
07	10.12.2014	08	15.12.2014	09	13.02.2015
10	12.03.2015	11	31.03.2015		

The names, categories of the Directors on the Board, their attendance at the Board Meetings during the Financial year and at the last Annual General Meeting (AGM), as also the number of Directorships and Committee memberships held by them in other companies are given below:

Name & Category	Date of Appointment	No. of Board Meetings Attended	No. of Memberships on the Board of other Companies	Memberships of Board Committees in all Companies*	Chairmanship of Board Committees in all Companies**	Whether last AGM Attended
Mr. Vinod Ramnani Promoter	08.06.1992	11	04	04	Nil	Yes
Mr. Jayesh C Patel Promoter	03.04.2000	01	01	Nil	Nil	No
Mr. Thomas Dietiker Promoter	03.04.2000	01	Nil	Nil	Nil	Yes
Dr. Suleman Adam Merchant Independent	20.08.2001	06	01	01	02	No
Mr. Rajkumar Raisinghani Independent	31.12.2005	10	03	02	05	Yes
Dr. Anvay Mulay Independent	31.12.2005	07	03	03	01	No
Ms. Suchitra Misra Additional Director	31.03.2015	01	01	03	Nil	NA

*Membership across all companies excluding private companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

**Chairmanship and membership of Audit Committee and Stakeholders Relationship Committee only.

Change in the Composition of Board of Directors since the date of last AGM held on 30.09.2014

Notes :-

1. Mr. Balasubramaniam V ceased to be a Independent Director of the Company with effect from 23.12.2014.
2. Mr. Bodapati Bhaskar ceased to be a Director of the Company with effect from 09.01.2015.
3. Ms. Suchitra Misra has been appointed as Additional Director of the Company with effect from 31.03.2015.

Appointment / Re-appointment

Induction.

On the recommendation of Nomination and Remuneration Committee, The Board appointed Ms.Suchitra Misra (DIN 02254365) as Non Executive Director with effect from March 31, 2015. Member's support is sought in confirming the appointment of Ms.Suchitra Misra, in the ensuing Annual General Meeting.

The tenure of office of Mr. Vinod Ramnani as Managing Director expired on 31st May 2015. Based on the recommendation of the Nomination and Remuneration Committee, The Board of Directors at its meeting held on 29th May 2015, re-appointed him in the same capacity for a period of 5 years with effect from 1st June 2015, Member's support is sought in confirming the re appointment of Mr. Vinod Ramnani, in the ensuing Annual General Meeting.

In terms of provisions of Section 149, 150, 152 and 160 read with Schedule IV of the Companies Act, 2013, Independent Directors are not liable to retire by rotation; it is proposed to appoint Dr. Suleman Adam Merchant (DIN: 00475410) who is liable to retire by rotation at the ensuing AGM, as Independent Director at the AGM for a period of three years with effect from the date of AGM.

Pursuant to the provisions of the Companies Act, 2013 Mr. Jayesh C Patel (DIN: 01338843), retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment as Director.

Brief resume of the Directors seeking appointment / re-

appointment at the Annual General Meeting, as required under Clause 49 of the Listing Agreement and Companies Act 2013, forms part of the Notice convening the Annual General Meeting.

Code of Conduct:

The Board of Directors of your Company have laid down a code of Conduct ("the code") applicable to all Board members and senior management and it is posted on the Website of the Company (www.optoindia.com). A declaration from the Chairman & Managing Director to the effect that all the Board members and senior management personnel have affirmed compliance with "the code" forms a part of this report.

AUDIT & RISK MANAGEMENT COMMITTEE:

(i) The Company has a qualified and independent Audit and Risk Management Committee with [3] three members. The title of the Committee was changed from Audit to Audit and Risk Management Committee in February 2015.

(ii) The Audit and Risk Management Committee of your Company comprises of following members.

Name of the Member	Designation
Mr. Rajkumar Raisinghani	Chairman
Dr. Anvay Mulay	Member
Ms. Suchitra Misra	Member

The Audit and Risk Management Committee has the following powers:

1. To investigate any activity within its terms of reference.
2. To seek any information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and the Rules made there under, and read with Clause 49 of the Listing Agreement, the terms of reference, roles and responsibilities of the Committee were restated as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other

- services rendered by the statutory auditors;
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management
 - d. Significant adjustments made in the financial statements arising out of audit findings
 - e. Compliance with listing and other legal requirements relating to financial statements
 - f. Disclosure of any related party transactions
 - g. Qualifications in the draft audit report
 5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc) the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this manner;
 7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the Company, wherever it is necessary;
 11. Evaluation of internal financial controls and risk management systems;
 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant

findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging the function) after assessing the qualifications, experience and background, etc., of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit committee.

The Audit and Risk Management Committee shall have such powers and rights as are prescribed under the provisions of the Listing Agreement with the Stock Exchange/s and as per the provisions of Section 177 of the Companies Act, 2013 and the Rules made there under, as notified or may be notified from time to time.

(iii) [4] Four Audit and Risk Management Committee meetings were held during the year 2014-15. The attendance is as follows:

Name	No. of Meetings Attended
Mr. Balasubramaniam V	03
*Mr. Rajkumar Raisinghani	04
Mr. Bodapati Bhaskar	NIL
**Dr. Anvay Mulay	01
***Ms. Suchitra Misra	NA

During the year under review, following were the changes in the composition of the Committee:

Mr. Balasubramaniam V, Chairman resigned w.e.f December 23, 2014 and Mr. Bhaskar Bodapati Member, resigned w.e.f January 09, 2015.

**Dr. Anvay Mulay appointed as Member w.e.f February 13, 2015.

*Mr. Rajkumar Raisinghani designated as Chairman and ***Ms. Suchitra Misra inducted as Member w.e.f March 31, 2015.

The requirements regarding number of meetings to be held, quorum and the time gap between two meetings were in accordance with the requirements of Clause 49 of the Listing Agreement.

NOMINATION AND REMUNERATION COMMITTEE AND REMUNERATION TO DIRECTORS

The Company has constituted Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Rules made there under ("the Act") and the Listing Agreement. the Remuneration Committee is renamed as Nomination and Remuneration Committee.

Terms of Reference are as follows:

- (i) To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, in accordance with the requirements of the Act, relating to the remuneration for the directors, key managerial personnel and other employees.
- (ii) To identify persons who are qualified to become directors and who may be appointed in senior management as per the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- (iii) The committee has been empowered to review / recommend remuneration of the directors, key managerial personnel and other employees.

The Nomination and Remuneration Committee of your Company comprises of following members:

S.No	Name of the Member	Designation
1.	Mr. Rajkumar Raisinghani	Chairman
2.	Dr. Suleman Adam Merchant	Member
3.	Ms. Suchitra Misra	Member

The Chairman and all the members of the committee are Non-executive, Independent Directors.

[4] Four Nomination and Remuneration Committee meetings were held during the year 2014-15. The attendance is as follows:

Name	No of Meetings Attended
Mr. Balasubramaniam V	03
*Mr. Rajkumar Raisinghani	03
Dr. Suleman Adam Merchant	04
**Ms. Suchitra Misra	NA

During the year under review, following were the changes in the composition of the Committee:

Mr. Balasubramaniam V, Chairman resigned w.e.f December 23,2014

*Mr.Rajkumar Raisinghani designated as Chairman and

**Ms. Suchitra Misra inducted as Member w.e.f March 31, 2015.

(iv) Remuneration Policy:

The Nomination Remuneration and Evaluation Policy contains the criteria for evaluation of the Board, Committees and other individual Directors. The policy is also available on the website of the Company and also forms part of the Directors' Report.

a) Payment of remuneration to the executive directors is in accordance with the service contracts entered into with

Amount in ₹

Name of the Director	Salary	Perquisites	Total
Mr. Vinod Ramnani	52,47,024	26,23,512	78,70,536
Mr. Jayesh C Patel	NIL	NIL	NIL
Mr. Thomas Dietiker	NIL	NIL	NIL
Dr. Suleman Adam Merchant	NIL	NIL	NIL
Dr. Anvay Mulay	NIL	NIL	NIL
Mr. Rajkumar Raisinghani	NIL	NIL	NIL
Ms. Suchitra Misra	NIL	NIL	NIL

b) During the year no payments were made to the Non-Executive directors of the Company.

c) Apart from the above fixed components, no performance linked incentives are paid to Mr. Vinod Ramnani.

d) Mr. Vinod Ramnani, Chairman & Managing Director, has entered into service contract with the Company on 29th May 2015. The notice period and the severance fee applicable to him are as follows:

- I. No notice for termination needs be given by the Company within two years from the date of appointment. But, severance compensation of twelve months remuneration is to be given by the Company.

- II. Six months notice or payment in lieu of notice for termination by the Company is to be given after two years from the date of employment with no severance compensation.
- III. However, if the termination is for "Cause" no notice or payment in lieu of notice be given by the Company.
- IV. The Chairman and Managing Director may resign after two years from the date of appointment by giving three months notice to the Company.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company has constituted Stakeholders Relationship Committee in accordance with the provisions of Section 178(5) of the Companies Act, 2013 and the Rules made there under ("the Act") and the Listing Agreement.

Terms of Reference are as follows:

(i) The Stakeholders Relationship Committee (erstwhile known as Shareholders and Investors Grievances Committee) of the Board is empowered to oversee the redressal of grievances of security holders of the Company. Addressing complaints pertaining to share transfer, non-receipt of annual reports, dividend payments, issue of duplicate certificates, transfers and transmission of shares and other miscellaneous complaints. The committee also considers and approves the transfer/transmission etc., of shares.

The Stakeholders Relationship Committee consists of the following directors:

Name of the Member	Designation
Dr. Suleman Adam Merchant	Chairman
Mr. Vinod Ramnani	Member
Mr. Rajkumar Raisinghani	Member

During the year, one meeting was held and the attendance was as follows:

Name of the Member	No of Meeting Attended
Dr. Suleman Adam Merchant	00
Mr. Vinod Ramnani	01
Mr. Rajkumar Raisinghani	01

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company has constituted Corporate Social Responsibility Committee in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Rules made there under ("the Act") and the Listing Agreement.

(i) Terms of Reference are as follows:

a) To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per

the Companies Act, 2013;

b) To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;

c) To monitor the CSR policy of the Company from time to time;

d) Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The Corporate Social Responsibility Committee consists of the following directors:

S.No	Name of the Member	Designation
a)	Mr. Vinod Ramnani	Chairman
b)	Mr. Rajkumar Raisinghani	Member
c)	Dr. Anvay Mulay	Member

During the year, one meeting was held and the attendance was as follows:

S.No	Name of the Member	No.of Meetings Attended
a)	Mr. Vinod Ramnani	01
b)	Mr. Rajkumar Raisinghani	01
c)	Dr. Anvay Mulay	01

FINANCE COMMITTEE

The Finance Committee consists of the following directors:

S.No	Name of the Member	Designation
a)	Mr. Vinod Ramnani	Chairman
b)	Mr. Rajkumar Raisinghani	Member
c)	Mr. Jayesh Patel	Member

Terms of Reference are as follows:

Decision making relating to operational matters such as borrowings, capital expenditure, investment in new projects, financial matters, sales marketing and long term contracts etc.

The Board of Directors from time to time delegates specific powers to the Finance Committee.

During the year, four meeting was held and the attendance was as follows:

S.No	Name of the Member	No of Meeting Attended
a)	Mr. Vinod Ramnani	04
b)	Mr. Rajkumar Raisinghani	04
c)	Mr. Jayesh Patel	00

(ii) Ms. Supriya Kulkarni, Company Secretary acts as a Compliance Officer.

(iii) During the financial year, the total number of complaints received from the Stakeholders were 104.

(iv) Number of Complaints replied / attended to the satisfaction of Stakeholders were 104.

(v) No requests for transfers and for dematerialization were pending for approval as on 31st March 2015.

GENERAL MEETINGS:

(i) & (ii) Location and time where last [3] Three AGMs were held and the Special Resolutions passed.

Financial Year	2011-12	2012-13	2013-14
Date, time and venue	29th September 2012 12.00 Noon Manipal County, No.65, Singasandra, Off Hosur Road, Bangaluru - 560 068	30th September 2013 12.00 Noon Manipal County, No.65, Singasandra, Off Hosur Road, Bangaluru - 560 068	30th September 2014 12.00 Noon Manipal County, No.65, Singasandra, Off Hosur Road, Bangaluru - 560 068
Special Resolutions passed	(i) Approval of Employee Stock Option Scheme for the eligible employees of the Company. (ii) Approval of Employee Stock Option Scheme for eligible employees of the subsidiary Companies.	Nil	(i) Approving the Borrowing powers of the Company. (ii) Approving the creation of security by way of mortgage, charge etc.,

Details of Special Resolution passed through Postal Ballot and details of voting pattern during the period under review:

Item No. 1 - As Special Resolution:

Increase in the Authorized Share Capital of the Company & Alteration of Memorandum of Association:

Promoter/ Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	68420890	68420890	100.00	68420890	0	100.00	-
Public – Institutional holders	45102429	23314690	51.69	23314690	0	100.00	-
Public-Others	128796088	9933580	7.71	9870249	12583	99.87	0.13
Total	242319407	101669160	-	101605829	12583	-	-

Item No. 2 - As Special Resolution:

Alteration of Articles of Association:

Promoter/ Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/(1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)=[(4)/(2)]*100	% of Votes against on votes polled (7)=[(5)/(2)]*100
Promoter and Promoter Group	68420890	68420890	100.00	68420890	0	100.00	-
Public – Institutional holders	45102429	23314690	51.69	23314690	0	100.00	-
Public-Others	128796088	9932730	7.70	9860951	11341	99.89	0.11
Total	242319407	101668310	-	101596531	11341	-	-

Item No. 3 - As Special Resolution:

Raising of funds for the Company and its Indian/ Overseas subsidiaries through issue of Securities in the International markets:

Promoter/ Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/ (1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)= [(4)/(2)]*100	% of Votes against on votes polled (7)= [(5)/(2)]*100
Promoter and Promoter Group	68420890	68420890	100.00	68420890	0	100.00	-
Public – Institutional holders	45102429	23314690	51.69	0	23314690	-	100.00
Public-Others	128796088	9932730	7.70	9863821	11549	99.88	0.12
Total	242319407	101668310	-	78284711	23326239	-	-

Item No. 4 - As Special Resolution:

To increase the limit of shareholding by Registered Foreign Institutional investors (FIIs) from 49% to 60% of the Paid up Equity Share Capital of the Company.

Promoter/ Public	No. of shares held (1)	No. of votes polled (2)	% of Votes Polled on outstanding shares (3)=[(2)/ (1)]*100	No. of Votes - in favour (4)	No. of Votes - against (5)	% of Votes in favour on votes polled (6)= [(4)/(2)]*100	% of Votes against on votes polled (7)= [(5)/(2)]*100
Promoter and Promoter Group	68420890	68420890	100.00	68420890	0	100.00	-
Public – Institutional holders	45102429	23314690	51.69	23314690	0	100.00	-
Public-Others	128796088	9931229	7.71	9871431	8511	99.91	0.09
Total	242319407	101666809	-	101607011	8511	-	-

The Board of Directors appointed Mr. Vijayakrishna KT Company Secretary in Practice, C.P.No. 980, Bangalore, as Scrutinizer to conduct the Postal Ballot process.

The above mentioned resolutions as set out in the Postal Ballot Notice of October 23, 2014 were duly approved by the Shareholders with requisite majority and the results were announced by the Chairman on December 15, 2014.

Details of Special Resolution which are required to be passed through Postal Ballot – NIL

DISCLOSURES:

- I. Basis of related party transaction: Your Company places details with respect to related party transactions before the Audit and Risk Management Committee periodically. No transaction of a material nature has been entered into by the Company with Directors or Management and their relatives etc. that may have a potential conflict with the interest of the Company.
- II. There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or Stock Exchanges does not arise.
- III. Whistle Blower policy: The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a vigil mechanism and Whistle Blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct to Chief Vigilance Officer and Audit & Risk Management Committee of the Board. The Company further confirms that no personal have been denied access to the Audit & Risk Management Committee.
- IV. All the mandatory requirements of Corporate Governance Clauses have been complied with by the Company and compliance with non-mandatory requirements have been detailed under the heading Non - Mandatory Requirements at the end of this report.
- V. Disclosure of accounting treatments: Your Company has followed all relevant accounting standards while preparing the financial statements.
- VI. Risk Management:
The Company has laid down risk assessment and minimization procedures which are in line with the best practices in the industry and as per its experience and objectives. The risk management system is reviewed periodically and updated.
- VII. Disclosure of accounting treatments.
Your Company has followed all relevant accounting standards while preparing the financial statements.
- VIII. Proceeds from public issues, rights issues and preferential issues etc.,
Proceeds from the follow on public issue made during 2006 have been fully utilized.
- IX. No significant material transaction has been made with the non-executive director's vis-à-vis the Company.
- X. The number of shares held by the Directors as on 31st March 2015 are as follows:

Name	No. of shares	% of holding
Mr. Vinod Ramnani	3,40,43,581	14.05
Mr. Jayesh C Patel	1,18,15,983	4.88
Mr. Thomas Dietiker	1,30,76,150	5.40
Dr. Suleman Adam Merchant	2,80,160	0.12
Dr. Anvay Mulay	4,325	0.00(Negligible)
Mr. Rajkumar Raisinghani	93,700	0.04
Ms. Suchitra Misra	81	0.00(Negligible)

(i) CEO/CFO certification

CEO/CFO has given a certificate to the Board as contemplated in Clause 49 the Listing Agreement.

MEANS OF COMMUNICATION

- i. The Annual, Half-Yearly and Quarterly financial results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and published in leading newspapers such as The Economic Times, Business Standard and other local newspapers.
- ii. The financial results of the Company are displayed on the Company's website www.optoindia.com.
- iii. The official presentations made to the institutional investors and the analysts are also displayed on the Company's website www.optoindia.com.
- iv. NSE Electronic application processing system (NEAPS). The NEAPS is web based application designed by NSE for Corporates. All periodical compliance filings like Share holding Patterns, Corporate Governance reports, Press releases, among others are filed Electronically on NEAPS.
- v. BSE Corporate compliance and listing centre (The Listing Centre) The BSE Listing Centre is web based application designed for Corporates. All periodical compliance filings like Share holding Patterns, Corporate Governance reports, Press releases, among others are filed Electronically on The Listing Centre.
- vi. SEBI Complaints Redress System (SCORES): The Investors Complaints are processed in centralized web based complaints redress systems. The salient features of this system are; Centralized data based for all compliance, on line upload of action taken report (ATRS) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

MANAGEMENT DISCUSSION AND ANALYSIS

The management discussion and analysis report is part of the Annual Report and is captioned “Management discussion and Analysis” in the Directors Report.

GENERAL SHAREHOLDER INFORMATION

(i) Annual General Meeting	
Date & Time	Thursday, 31st December 2015 at 10.30 AM
Venue	Plot No 83, Electronic City, Hosur Road, Bangalore 560 100
(ii) Financial Calendar (Tentative)	
Results	Reporting
Quarter 30th June 2015	On or before 15th August 2015
Quarter 30th September 2015	On or before 15th November 2015
Quarter 31st December 2015	On or before 15th February 2016
Quarter 31st March 2016	On or before 31st May 2016
AGM for approval of the Audited accounts for the year ended 31st March 2016	On or before 30th September 2016
Financial year	1st April to 31st March
(iii) Details of Book Closure	29th December 2015 to 31st December 2015. (both days inclusive)
(iv) Dividend payment	Nil

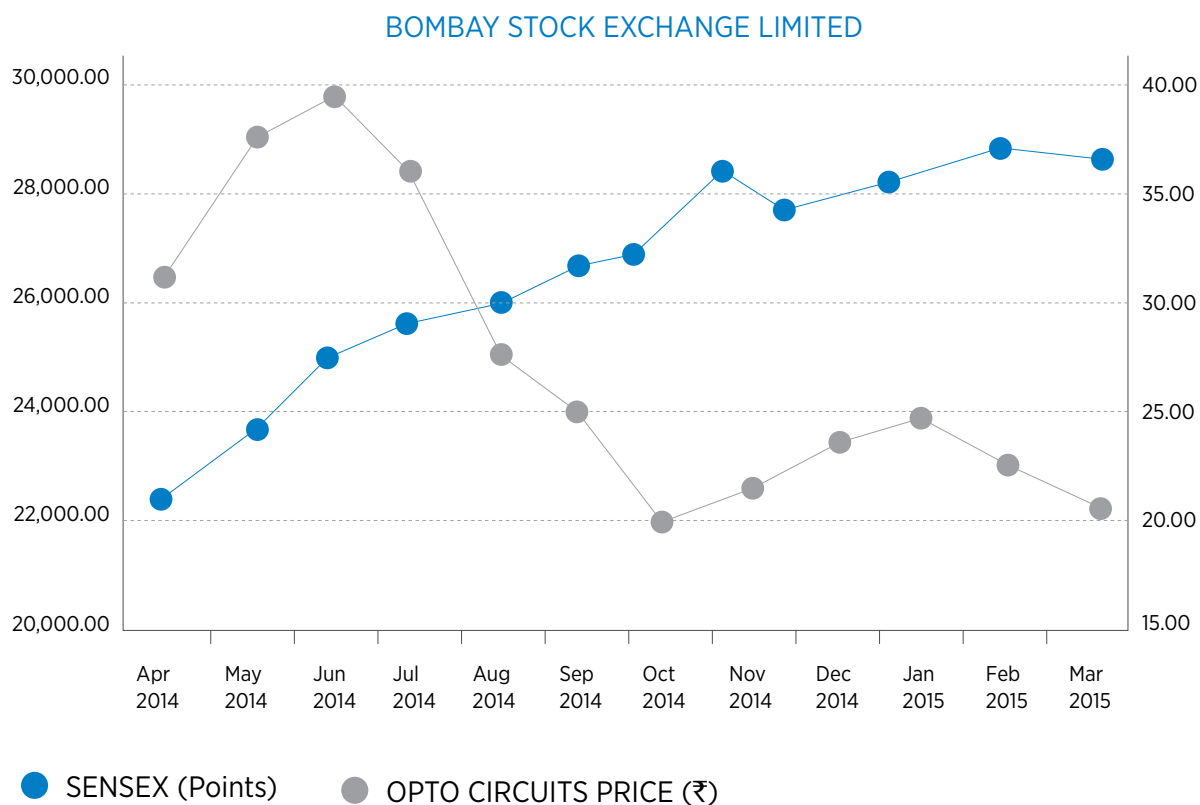
(v) Listing of Equity Shares on Stock Exchanges	Bombay Stock Exchange Limited Phiroze jeejeebhoy Towers, Dalal Street, Fort, MUMBAI - 400 001
	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), MUMBAI - 400 051
(vi) Stock Code	
a. Trading code/symbol	
Bombay Stock Exchange code	532391
National Stock Exchange code	OPTOCIRCUI
b. Demat ISIN Number in NSDL and CDSL for equity shares	INE808B01016
c. Listing fee	Paid
(vii) CIN	L85110KA1992PLC013223

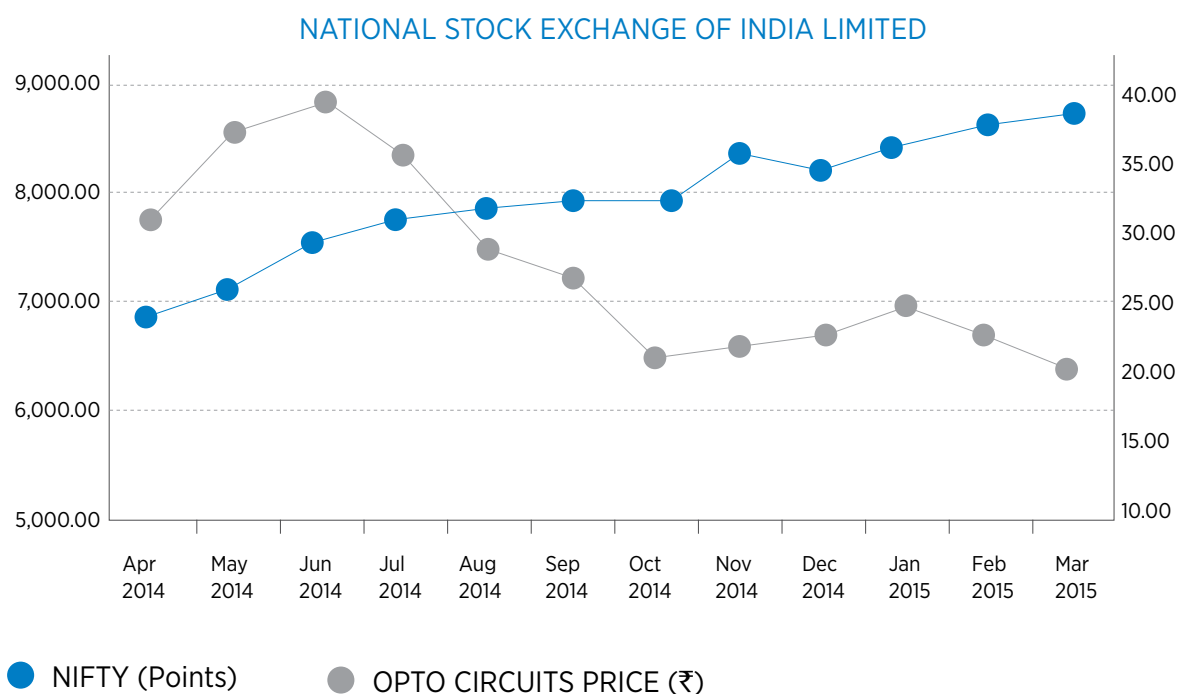
(vii) Stock Market Data:

High and Low quotation at Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd and number of shares traded:

Month	BSE prices			NSE prices		
	High	Low	Volume (No)	High	Low	Volume (No)
April 2014	35.40	26.50	76001	35.40	26.85	36373987
May 2014	44.50	30.40	144841	44.40	30.75	51644002
June 2014	43.55	36.15	133728	43.50	36.10	43363982
July 2014	41.55	29.40	88665	41.60	29.30	35312417
August 2014	30.25	24.25	59932	30.20	24.30	25891426
September 2014	28.60	21.05	105186	28.65	20.95	62584325
October 2014	21.60	18.00	57441	21.30	18.30	34302702
November 2014	25.00	19.05	91062	25.05	19.25	60358852
December 2014	27.05	20.20	147292	27.10	20.20	95177525
January 2015	26.55	23.75	78390	26.55	23.75	47558550
February 2015	26.70	20.30	93253	26.65	20.00	53303392
March 2015	24.35	18.15	45068	24.40	18.40	28424700

(viii) The performance of the Company's shares at Stock Exchanges (quotation) in comparison to Board based indices i.e. BSE Sensex and NSE Nifty are as follows (Average of monthly high/low prices/indices)





(ix) Registrar & Transfer Agents

Share transfer and communication regarding share certificate, dividends and change of address:

Karvy Computershare Pvt. Ltd.,
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramguda,
Serilingampally, Hyderabad – 500 032.
Email: mailmanager@karvy.com

(x) Share Transfer System

Presently the share transfer which are received in physical form are processed and the share certificates returned within a period of 15 to 16 days from the date of receipt, subject to the documents being valid and complete in all respects. The share transfers/transmissions are approved by Stakeholders Relationship Committee.

(xi) Distribution of Shareholding as on 31st March 2015

Sl. No.	Category		No. of Shareholders	% of Shareholders	Amount in ₹	% of Shareholding
	From	To				
01.	01	500	68297	71.17	118,456,330.00	4.89
02.	501	1000	12432	12.95	101,201,300.00	4.18
03.	1001	2000	7228	7.53	111,814,810.00	4.61
04.	2001	3000	2608	2.72	66,899,040.00	2.76
05.	3001	4000	1307	1.36	46,991,000.00	1.94
06.	4001	5000	1010	1.05	47,846,910.00	1.97
07.	5001	10000	1687	1.76	123,429,330.00	5.09
08.	10001	Above	1396	1.46	1,806,555,350.00	74.56
	Total		95965	100.00	2,423,194,070.00	100.00

Categories of Shareholders as on 31st MARCH 2015

Sl. No.	Description of Holders	No. of Shareholders	No. of Shares	% of Equity
01	Banks	06	533447	0.22
02	Clearing Members	143	964893	0.40
03	Employees	05	2326	0.00
04	Foreign Institutional Investors	14	34371170	14.18
05	Foreign Nationals	1	39	0.00
06	Foreign promoters	1	13076150	5.40
07	Foreign Portfolio Investors	3	4040622	1.67
08	Hindu Undivided Family	2198	3941798	1.63
09	Indian Financial Institutions	6	3966555	1.64
10	Indian Promoters	3	55397440	22.86
11	Bodies Corporate	1216	16327895	6.74
12	Mutual Funds	1	2629	0.00
13	Non Resident Indians	1803	19578808	8.08
14	Resident Individuals	90561	90110477	37.18
15	Trusts	4	5158	0.00
	Total	95965	242319407	100.00

(xii) Dematerialization of Share and Liquidity

As on 31st March 2015, 99.41% of the Company's total paid up capital, representing 240,900,398 shares, were held in dematerialized form and the balance 0.59%, representing 1,419,009 shares, were held in physical form.

Secretarial Audit:

As stipulated by the Securities and Exchange Board of India (SEBI), a qualified Practicing Company Secretary carries out the Secretarial Audit and provides a report to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited., (CDSL) and the total issued and listed capital. This Secretarial Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Secretarial Audit inter alia, confirms that the total listed and paid up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

(xiii) There were no outstanding GDRs / ADRs etc., as on 31st March 2015.

(xiv) XIV. The Company's plats are located: Plot No.83, Electronics City, Hosur Road, Bengaluru – 560 100. Shed No.15, VSEZ Duuvada, SDF-1 Building, Vadlapudi Post, Vishakapatnam AP – 530 046.

(xv) Address for correspondence:

Karvy Computershare Pvt. Ltd.,
Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramguda,
Serilingampally, Hyderabad – 500 032.
Email: mailmanager@karvy.com

- Correspondence for shares held in physical form:
- Share transfer and communication regarding share certificate, dividends and change of address:
- For shares held in demat form to the depository participant.
- The company has designated investorsservices@optoindia.com as the e-mail for the purpose of registering complaints by investors.
- Disclosures regarding suspense account pursuant to SEBI circular no. SEBI/CFD/DIL/LA1/2009/24/04 dated 24th April 2009.

As per the above mentioned circular, Clause 5A stands for shares issued pursuant to the public issues or any other issue which remains unclaimed and / or lying in the escrow account and any unclaimed benefits like dividend, bonus shares, etc., which are to be credited to the demat suspense account. There were no shares in unclaimed and / or lying in the escrow account and hence transfer of benefits to suspense account does not arise.

NON-MANDATORY REQUIREMENTS

1. The Company has an Executive Chairman on its Board.
2. The Remuneration Committee is constituted by the Board, the details of which are provided under the heading “Nomination and Remuneration Committee”.
3. The Company has not adopted the other non-mandatory requirements as specified in Annexure XIII of Clause 49 of Listing Agreement.

For and on behalf of the Board

VINOD RAMNANI

Chairman & Managing Director

Place: Bengaluru

Date: 3rd December, 2015

CERTIFICATES UNDER CORPORATE GOVERNANCE REPORT

CERTIFICATE RELATING TO THE CODE OF CONDUCT FOR DIRECTORS/SENIOR MANAGEMENT

This is to certify that as per revised Clause 49 of the Listing Agreement the code of conduct has been laid down for the all the Board members and senior management of the Company. The Board members and senior management have affirmed compliance with Company's code of conduct for the year 2014-15.

VINOD RAMNANI

Chairman & Managing Director

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the Members of OPTO CIRCUITS (INDIA) LIMITED.,

We have examined the compliance of the conditions of Corporate Governance by Opto Circuits (India) Limited for the year ended 31st March 2015, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India.

The compliance of the 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 an opinion on the financial statements of the Company.

In our opinion and to the best of information and according to the explanations given to us, the Company has complied with the conditions of Corporate Governance as stipulated under the Clause 49 of the Listing Agreement.

For ANAND AMARNATH & ASSOCIATES

Chartered Accountants

B.K. AMARNATH

Partner

Membership Number: 26536

Firm Registration Number:000121S

Place: Bengaluru

Date: 3rd December, 2015

AUDITOR'S REPORT

To,

The Members of

Opto Circuits (India) Ltd, Bangalore

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of Opto Circuits(India) Ltd ("the Company") which comprises the Balance Sheet as at March 31, 2015, and the Statement of Profit and Loss for the year then ended, and the cash flow statement for the year ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The company's Board of Directors are responsible for the matters stated in section 134(5) of the companies act 2013 ("the Act") with respect to preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including Accounting Standards referred to under section 133 Of The Companies Act 2013 read with Rule 7 of the companies (Accounts) Rule 2014. This responsibility includes the maintenance of adequate accounting records in accordance with provisions of the act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent ; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

The company's Board of Director is responsible for the matters stated in section 134(5) of the companies act 2013 ("the Act") with respect to preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance and cash flow of the Company in accordance with the Accounting Standards referred to under section 133 Of The Companies Act 2013 read with Rule 7 of the companies (Accounts) Rule 2014. This responsibility includes the maintenance of

adequate accounting records in accordance with provisions of the act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgment and estimates that are reasonable and prudent ; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of accounting records, relevant to the preparation and presentation of the financial statements that gives a true and fair view and are free from material misstatement, 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 Qualified audit opinion on the standalone financial statements.

BASIS FOR QUALIFIED OPINION

1. Based on the information and explanations given to us and on the basis of our examination of the books of account we have noticed that bills receivable amounting to Rs.617.28 crores are not realized for more than 180 days as on 31st March 2015.

The company has not made proper assessment of the amount realizable from the above mentioned debtors.

2. The company was in default in repayment to the banks as on the date of balance sheet as outlined below:

Name of the bank	Facility	Amount (in Rs. crores)
Nova Scotia bank	Working capital	119.00
HDFC bank Ltd	working capital	51.47
State Bank of India	working capital	180.51
	TOTAL	350.98

Bank Nova Scotia and HDFC Bank Ltd have issued winding up notices dated 03/06/2014, and 24/11/2014 respectively for recovery of the above said outstanding dues and there is no assurance that the banks will not exercise their default rights and the bankers have filed winding up petition in the High Court of Karnataka against the company.

During the course of audit we also noticed that State bank of India has issued notice under SARFAESI ACT, on factory building and current assets of the company. State Bank of India has taken symbolic possession of the property at 83, Electronic City, Phase-1, Hosur Road, Bangalore .As on date, State Bank of India has put up notice for auctioning of property.

3. On perusal of balance sheet of the company, we found that the company has given advance of Rs. 15.55 crores to Advanced Micronic Devices Ltd (59.71% subsidiary). Advanced Micronic Devices Ltd has stopped their business operation since July 2015. In this situation it is difficult to realize this amount and company has not made necessary provision in this regard.

4. During the year under audit due to the impact of cyclonic flood 'HUD-HUD' in October 2014 at vishakapatnam SEZ plant, an amount of ` Rs.181.40 crores was assessed and the loss of stock/Inventories was indicated under exceptional items in statement of profit and loss account for the year ending 31.03.2015. The Company has lodged claim with insurance company and the actual loss is yet to be determined. Also the company is yet to get clearance from the Customs and Excise department in this regard.

QUALIFIED OPINION

Subject to above qualification and considering the note.7B and note 7C forming part of financial statements (Notes) regarding Non _provision of Minimum Alternative Tax and dividend distribution tax respectively. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements gives 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 March 31, 2015;
- b) in the case of 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.

EMPHASIS OF MATTERS:

(a) The Company has defaulted in payment of dividend to the shareholder to the tune of Rs.10.89 crores relating to financial year 2011-12. Further the said amount is not even kept in the specified account with the bank.

(b) Company has made investments in various Indian and overseas subsidiaries. We have called for share certificate in original of these investments, company has not produced them for our verification.

REPORT ON OTHER LEGAL REGULATORY REQUIREMENT

1. As required by Companies (Auditors Report) Order 2015 ("the order") issued by the central government of India in terms of section 143(11) of the Act we give in annexure a statement on the matters specified in paragraph 3 and 4 of the Order to the extent applicable.

2. As required by section 143(3) of the act, we report that

- a) we have sought and 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) Subject to the Note.7B forming part of financial statements (Notes) regarding Non-provision of Minimum Alternative Tax in our opinion, the afore said financial statements comply with the Accounting Standards specified of section 133 Of The Companies Act 2013 read with Rule 7 of the companies (Accounts) Rules 2014.
- e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the director is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164(2) of the Act
- f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial statements:- Refer Note 5A(5.4) Short term borrowing, Note 7B and Note 7C to the financial statements.
 - ii. The company did not have any long term contracts for which there were any material foreseeable losses; and
 - iii. There has been no delay in transferring amounts required to be transferred to the Investors Education and Protection Fund by the company.

For ANAND AMARNATH & ASSOCIATES
Chartered Accountants

B.K. AMARNATH
Partner
Membership Number: 26536
Firm Registration Number: 000121S

Place: Bengaluru

Date: 1st December, 2015

ANNEXURE TO THE AUDITOR'S REPORT

(Referred to in our Report of even date on the accounts of Opto Circuits (India) Ltd, Bangalore

For the year ended 31st March 2015)

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification .

2. (a) We are informed that the physical verifications of inventories were conducted by the management at reasonable intervals. In our opinion, the frequency of such verification is reasonable.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) The company is maintaining proper records of inventories. According to the records produced to us, no discrepancies were noticed on verification between physical stocks and stock records.

3. (a) Subject to the qualification in the audit report, as per the explanation given to us the Company has granted unsecured loans to the Parties listed in the register maintained under section 189 of the Companies Act

(b) In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 the borrower have been regular in the payment of the interest as stipulated . The terms of arrangements do not stipulate any repayment schedule and loans are repayable on demand.

(c) There are no overdue amounts of more than rupees one lakh in respect of the loan granted to the body corporate

listed in the register maintained under section 189 of the Act.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods and services. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. The Company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 of the Act and rules framed there under.

6. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

7. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees' State Insurance, income tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2015 for a period of more than six months from the date they became payable except income tax amounting to Rs.16.71 crores relating to A Y 2014-15. Even Income tax returns for the said assessment year is not filed with income tax authority.

(b) According to the information and explanations given to us, there is no amounts payable in respect of, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

However according to information and explanation given to us the following dues of income tax have not been deposited by the company on the account of dispute:

Name of the statute	Name of dues	Amount (in Rs. crores)	Period to which it relates	Forum where dispute is pending
Incometax authority	Minimum alternative tax	57.00	A Y 2013-14	High court of karnataka
Incometax authority	Dividend distribution tax	17.57	A Y 2010-11	High court of karnataka
Incometax authority	Dividend distribution tax	18.00	A Y 2011-12	High court of karnataka
Incometax authority	Dividend distribution tax	13.80	A Y 2012-13	High court of karnataka
	TOTAL	106.37		

c)According to the information and explanations given to us and on the basis of the examination of the records of the Company the amounts which is required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under has been transferred to such fund within time

8. The Company does not have any accumulated loss and but company has incurred cash loss during the financial year covered by our audit.

9. In our opinion and according to the information and explanations given to us the company has defaulted in the repayment of dues to financial institutions as outlined below.

Name of the bank	Amount (₹ in crores)
DBS Bank	₹ 9.35(last 2 instalment)

10. In our opinion and according to the information and explanations given to us, the Company has given guarantee for loans taken by its subsidiaries from bank are not prima facie prejudicial to the interest of the company.

11. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, term loans have been applied for the purpose for which loan were obtained.

12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

B.K. AMARNATH

Partner

Membership Number: 26536

Firm Registration Number:000121S

Place: Bengaluru

Date: 1st December, 2015

BALANCE SHEET AS AT 31.03.2015

Amount in ₹

Sl.No.	Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
I	EQUITY AND LIABILITIES			
1	Shareholder's Funds			
	(a) Share Capital	2	2,423,194,070	2,423,194,070
	(b) Reserves and Surplus	3	10,426,695,932	12,539,905,260
			12,849,890,002	14,963,099,330
2	Non-Current Liabilities			
	(a) Long-term borrowings	4	38,750,000	77,500,000
			38,750,000	77,500,000
3	Current Liabilities			
	(a) Short-term borrowings	5	8,690,716,129	8,636,573,002
	(b) Trade payables	6	1,177,783,643	372,257,644
	(c) Other current liabilities	7	1,475,620,478	1,083,176,570
	(d) Short-term provisions	8	9,376,968	106,229,519
			11,353,497,218	10,198,236,735
	Total		24,242,137,220	25,238,836,065
II	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	936,259,864	1,131,980,794
	(ii) Capital work-in-progress		12,883,084	12,883,084
			949,142,948	1,144,863,878
2	(a) Non-current investments	10	3,816,646,423	3,816,646,423
	(b) Deferred tax assets (net)	11	3,499,718	5,307,903
			3,820,146,141	3,821,954,326
3	Current assets			
	(a) Inventories	12	3,416,515,862	4,388,676,030
	(b) Trade receivables	13	6,459,991,305	6,150,063,119
	(c) Cash and Cash Equivalents	14	17,574,553	23,081,823
	(d) Short-term loans and advances	15	9,577,976,108	9,709,013,280
	(e) Other current assets	16	790,303	1,183,609
			19,472,848,131	20,272,017,861
	Total		24,242,137,220	25,238,836,065

The accompanying notes are an integral part of the Financial Statements

For and on behalf of the Board of DirectorsVINOD RAMNANI
Chairman & Managing DirectorJAYESH PATEL
DirectorPlace: Bengaluru
Date: 1st December, 2015**As per our report of even date**FOR ANAND AMARNATH & ASSOCIATES
Chartered AccountantsB K AMARNATH
PartnerMembership Number: 26536
Firm Registration Number: 0001215

OPTO CIRCUITS (INDIA) LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31.03.2015

Amount in ₹

Sl. No.	Particulars	Note No.	For the year ended on 31.03.2015	For the year ended on 31.03.2014
I.	Revenue from operations	17	1,461,432,372	2,627,848,033
II.	Other Income	18	(52,208,388)	(16,759,250)
III.	Total Revenue (I +II)		1,409,223,984	2,611,088,783
	Expenses:			
	Cost of materials consumed	19	638,688,124	1,229,244,902
	Changes in inventories of FG, WIP & Stock-in-Trade	20	3,135,311	(34,987,462)
	Employee benefit expense	21	100,696,431	99,501,788
	Finance costs	22	578,160,535	535,819,486
	Depreciation and amortization expense	9	97,280,254	79,226,935
	Other expenses	23	185,691,462	184,980,647
IV	Total Expenses		1,603,652,116	2,093,786,296
V.	Profit before exceptional and extraordinary items and tax (III - IV)		(194,428,132)	517,302,487
VI.	Exceptional Items		1,814,000,200	NIL
VII.	Profit before extraordinary items and tax (V - VI)		(2,008,428,332)	517,302,487
VIII.	Extraordinary Items		NIL	NIL
IX.	Profit before tax (VII - VIII)		(2,008,428,332)	517,302,487
X.	Tax expense:			
	(1) Current tax	24	4,879,928	97,542,345
	(2) Deferred tax		1,808,185	(1,819,085)
XI.	Profit(Loss) for the period (IX-X)		(2,015,116,445)	421,579,227
XII.	Earning per equity share:	25		
	(1) Basic		(8.32)	1.74
	(2) Diluted		(8.32)	1.74

The accompanying notes are an integral part of the Financial Statements

For and on behalf of the Board of DirectorsVINOD RAMNANI
Chairman & Managing DirectorJAYESH PATEL
DirectorPlace: Bengaluru
Date: 1st December, 2015**As per our report of even date**FOR ANAND AMARNATH & ASSOCIATES
Chartered AccountantsB K AMARNATH
PartnerMembership Number: 26536
Firm Registration Number: 0001215

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015

Amount in ₹

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
I. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	(2,008,428,332)	517,302,486
Adjustments from Non-Operating Items		
Amortisation and other non cash items	1,808,185	(1,819,085)
Depreciation	97,280,254	79,226,935
Interest paid on borrowings	578,160,534	535,819,486
Profit / (Loss) on sale of Fixed Asset	(78,817)	-
	(1,331,258,176)	1,130,529,822
Adjustments for Working Capital		
(Increase)/Decrease in Inventories	972,160,168	(783,404,006)
(Increase)/Decrease in loans & advances	131,430,478	529,446,539
(Increase)/Decrease in Sundry Debtors	(309,928,186)	(307,441,342)
(Increase)/Decrease in Current Liabilities	1,101,117,356	(630,669,118)
Cash operating profit/ (loss) before income tax	563,521,640	(61,538,105)
Income Tax	(6,688,113)	(95,723,260)
Net Cash Flow from Operating Activities	556,833,527	(157,261,365)
II CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from Sale of Fixed Assets	2,071,281	-
Total inflow of cash from investments	2,071,281	-
(Purchase)/Sale of Fixed Assets	(1,644,671)	(2,205,451)
Net Cash Flow from investing activities	426,610	(2,205,451)

OPTO CIRCUITS (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2015 (CONTD.)

Amount in ₹

Particulars	Year ended 31.03.2015	Year ended 31.03.2014
III CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(Repayment) of Secured Loans	42,261,691	768,677,169
Proceeds/(Repayment) of UnSecured Loans	(26,868,564)	(62,469,757)
Inflow of Cash	15,393,127	706,207,412
Interest paid on borrowings	(578,160,534)	(535,819,486)
Dividend & Dividend Tax	-	(9,442,000)
Net cash flow from financing activities	(562,767,407)	160,945,926
Total Increase in cash & cash equivalents during the year	(5,507,270)	1,479,110
Cash & cash equivalents at the beginning of the year	23,081,823	21,602,713
Cash & cash equivalents at the end of the year	17,574,553	23,081,823

Note: Figures in bracket represents outflows**For and on behalf of the Board of Directors**VINOD RAMNANI
Chairman & Managing DirectorJAYESH PATEL
DirectorPlace: Bengaluru
Date: 1st December, 2015**As per our report of even date**FOR ANAND AMARNATH & ASSOCIATES
Chartered AccountantsB K AMARNATH
PartnerMembership Number: 26536
Firm Registration Number: 000121S

NOTE - 1 SIGNIFICANT ACCOUNTING POLICIES

1. SYSTEM OF ACCOUNTING

The financial statements are prepared in accordance with Indian Generally accepted Accounting principles(GAAP) under the historic cost convention on the accrual basis except for some financial instruments which are measured at fair value. GAAP comprises of accounting standards notified under Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

2. REVENUE RECOGNITION

Revenue from sale of products are recognized on dispatch of goods to customers and are net of sales tax, discounts, rebates for price adjustments, rejections and shortage in transit.

3. FIXED ASSETS

Fixed assets are stated at cost, less accumulated depreciation. Cost prices include purchase price, duties, levies and any other cost relating to the acquisition and installation of the assets. Interest and financing charges on borrowed funds, if any, used to finance the acquisition of fixed assets, until the date the assets are ready for use are capitalized and included in the cost of the asset.

4. DEPRECIATION

During the year, the Company has adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013.

Accordingly, in respect of fixed assets acquired during the year, depreciation / amortization is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 01, 2014, the carrying amount as on April 01, 2014 is depreciated over the remaining useful life and depreciation on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against opening balance of reserves and surplus.

5. INVENTORIES

Valuations of inventories are at the lower of cost and net realizable value. Cost of inventories are computed on a weighted average/FIFO basis.

Raw Materials including stores and spares	Valued at lower of Cost and net realizable value
Work-in-Progress	Valued at lower of cost and net realizable value Work in process includes costs incurred up to the stage of completion
Finished Goods	Valued at lower of cost and net realizable value Finished goods include cost of conversion and cost incurred for bringing the same to the location or storage of completion

6. RETIREMENT BENEFITS TO EMPLOYEES

The company's liability towards retirement benefit in the form of provident fund is fully funded and charged to revenue expenditure. The company contributes to the employee provident fund maintained under the employees provident fund scheme run by the Central Government. The gratuity liability is provided and charged off as revenue expenditure based on actuarial valuation. The company has subscribed to the group gratuity scheme policy of LIC of India. Unavailed encashable earned leave is accounted on accrual basis.

7. INVESTMENTS

The investments are stated at cost.

8. DEFERRED TAX

Deferred Tax Asset in the nature of unabsorbed depreciation and losses are recognized only if there is virtual certainty of realization. Other deferred tax assets are recognized if there is reasonable certainty of realization.

9. FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Foreign currency of assets & liabilities and realized gains and losses on foreign exchange transactions, other than those relating

to fixed assets are recognized in the profit and loss account. Exchange difference arising on liabilities incurred for the purpose of acquiring fixed assets are adjusted in the carrying value of the respective fixed assets.

10. PROVISION FOR TAXATION

Provision is made for Income Tax annually based on the Tax Liability computed after considering Tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable

11. EARNINGS PER SHARE

The basic earnings per share is computed by dividing net profit after tax by the number of equity shares outstanding for the period.

For and on behalf of the Board of Directors

VINOD RAMNANI
Chairman & Managing Director

JAYESH PATEL
Director

Place: Bengaluru
Date: 1st December, 2015

As per our report of even date

FOR ANAND AMARNATH & ASSOCIATES
Chartered Accountants

B K AMARNATH
Partner

Membership Number: 26536
Firm Registration Number: 000121S

NOTE 2 – SHARE CAPITAL

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Authorised:		
375,000,000 Equity Shares of ₹ 10/- each	3,750,000,000	3,000,000,000
(P.Y. 300,000,000 Equity Shares of ₹ 10/- each)		
	3,750,000,000	3,000,000,000
Issued:		
242,581,307 Equity Shares of ₹ 10/- each (P.Y. 242,581,307 Equity Shares of ₹ 10/- each)	2,425,813,070	2,425,813,070
	2,425,813,070	2,425,813,070
Subscribed and Paid up:		
242,319,407 Equity Shares of ₹ 10/- Each fully paid up (P.Y. 242,319,407 Equity Shares of ₹ 10/- each)	2,423,194,070	2,423,194,070
Total	2,423,194,070	2,423,194,070

NOTE 2A

Particulars	As at March 31, 2015	As at March 31, 2014
	No. of shares	No. of shares
Reconciliation of the no. of shares outstanding at the beginning and at the end of the year:		
No of shares outstanding at the beginning of the year	242,319,407	242,319,407
No of shares outstanding at the end of the year	242,319,407	242,319,407

OPTO CIRCUITS (INDIA) LIMITED

NOTE 2B - NUMBER OF SHARES HELD BY EACH SHARE HOLDER HOLDING MORE THAN 5% SHARES IN THE COMPANY ARE AS FOLLOWS

Particulars	As on 31.03.2015		As on 31.03.2014	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Equity Shares:				
(1) Vinod Parasram Ramnani	34,043,581	14.05%	34,043,581	14.05%
(2) HSBC Global Investment Funds A/c HSBC Global Investment Funds	16,592,408	6.85%	16,592,408	6.85%
(3) Genesis Indian Investment Company - General Sub Fund	-	-	13,530,601	5.58%
(4) Thomas Dietiker	13,076,150	5.40%	13,076,150	5.40%
	As on 31.03.2015		As on 31.03.2014	
	No. of shares		No. of shares	
Equity Shares allotted as fully paid bonus shares during the last five years	56,486,863		56,756,863	

NOTES:

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

During the year ended 31st March 2015, the amount of share dividend recognised distributed to equity shareholders was ₹ NIL (31st March 2014: ₹ NIL)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

NOTE 3 - RESERVES AND SURPLUS

Amount in ₹

Particulars	As at March 31, 2015	As at March 31, 2014
Securities Premium Account:		
As per last Balance Sheet	4,117,137,076	4,117,137,076
	4,117,137,076	4,117,137,076
General Reserve:		
As per last Balance Sheet	1,266,987,752	1,266,987,752
Less: Transfer from Profit & Loss Account	(98,092,883)	-
	1,168,894,869	1,266,987,752
Surplus:		
As per last Balance Sheet	7,155,780,432	6,734,201,206
Add: Profit/(Loss) for the period	(2,015,116,445)	421,579,226
	5,140,663,987	7,155,780,432
Total	10,426,695,932	12,539,905,260

NOTE 3A - REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

Particulars	Paid in Current year	Paid in Previous year
	2014-15	2013-14
Amount Remitted	NIL	NIL
Dividend Related to financial year	2013-14	2012-13
Number of non-resident shareholders	NIL	NIL
Number of shares	NIL	NIL

NOTE 3B

NOTE:

During the year, the Company has adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013. Accordingly, depreciation of ₹9,80,92,883 on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against opening balance of retained earnings.

NOTE 4 – LONG TERM BORROWINGS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Term Loans		
- from Banks		
Secured	38,750,000	77,500,000
Total	38,750,000	77,500,000

NOTE 4A – DETAILS OF REPAYMENT OF TERM LOANS

Details of repayment of Term Loans

Nature of Facility	Lendor	Amount (₹)
Term Loan from Bank on Specific Fixed Assets	HDFC Bank Limited	77,500,000
Term Loan from Bank on Specific Fixed Assets (ECB Loan)	DBS Bank Limited	98,150,602

Notes:-

1) During January 2014, the company has borrowed INR 7,75,00,000 from HDFC Bank Limited. The interest rate is fixed @ 14% P.A and is secured by Specified movable Fixed Assets. The loan is repayable in 8 quarterly installments of INR 96,87,500 each. The first installment is slated for April 2015 and the final installment is on January 2017,

2) In March 2009, Opto Circuits India Limited had borrowed US\$ 7,000,000 from DBS Bank Limited. The interest rate was fixed @ 6.60% P.A. and is secured by specified movable fixed assets The loan is repayable in 8 half yearly installment of US\$ 777,700 and one final balance installment of US\$ 778,400. The first installment was on March 2010 and final installment was slated for March 2014 but as 31 Marh 2015 the last 2 installment is still unpaid .

NOTE 5 - SHORT TERM BORROWINGS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Loans repayable on demand		
- from Banks		
Secured	8,326,807,216	8,245,795,525
	8,326,807,216	8,245,795,525
- from other parties		
Unsecured	363,908,913	390,777,477
	363,908,913	390,777,477
Total	8,690,716,129	8,636,573,002

OPTO CIRCUITS (INDIA) LIMITED

NOTE 5A - SHORT TERM BORROWINGS**Notes:-**

- 5.1.A) Company has working capital facilities with State Bank of India. Hypothecation of Company's present and future movable fixed assets and current assets like stocks, raw materials, semi finished and finished goods, book debts, receivables, outstanding monies, bills, rights, stores, components, furniture and fittings; other movables, plant and machinery, vehicles and assets to be purchased out of bank finance. Pari Passu First Charge on the assets of the company. Equitable Mortgage on all the piece and parcel of land known as Sy. No. 62 part within the village limits of Doddathogur, Begur Hobli, Bangalore District containing by admeasuring 1.50 acre.
- 5.1.B) Company has obtained loans from DBS Bank Limited Hypothecation of the whole of the present and future stocks of raw materials, work in process, finished goods, semi finished goods, book debts, outstanding monies receivables, claims, bills, contracts, engagements, securities, investments, rights and assets belonging to the company, by way of first charge.
- 5.1.C) Company has working capital facilities with Indusind Bank Limited. These facilities are repayable on demand, secured by pari-passu charge on Stocks and Book Debts of the Company.
- 5.1.D) Company has working capital facilities with Standard Chartered Bank by hypothecation of the whole of the present and future stocks of raw materials, work in process and finished goods, book debts, outstanding monies, receivables, claims, bills, etc belonging to the company by way of paripassu charge. The company has also given the additional security of immovable property of its step down subsidiary M/s. Altron Hotels Private Limited comprising of all that piece and parcel of land measuring 0.90 Acres (3682.61 Smts) bearing V.P Khata No. 309, from out of land bearing Plot No. 24, Sy.No.14 of Konapaana Agrahara, Begur Hobli, Bangalore South Taluk 560100 together with buildings and structures standing thereon with all easement right, common right ingress and egress thereon.
- 5.1.E) Company has working facilities with Yes Bank Limited by hypothecation of Pari Passu charge on Current Assets of the borrower to cover loan amount plus costs, expenses, interest and other incidentals. Hypothecation of the whole of the Current Assets of raw material, semi finished & finished goods, stores and spares including consumable stores and spares relating to plant and machinery and other movables both present and future stored at Plot No.83, Electronics city, Bangalore South or wherever else in India and bills receivables and Book debts belonging to the Company.
- 5.1.F) Company has working capital facilities with The Bank of Nova Scotia by hypothecation of the whole of the present and future stocks of raw materials, work in process and finished goods, book debts, outstanding monies, receivables, claims, bills, etc belonging to the company by way of paripassu charge. The company has also given the security of immovable property of its Subsidiary Opto Infrastructure Limited comprising on all that piece and parcel of land known as Plot No's 2A1, 2A2, 2A3, 2A3(P3), 2B1, 2B2, 2C1, 2C2, 3,4,5,6,7,8,9 and 10 in survey numbers in the Hassan Sector Specific Hard Ware Zone Industrial area within the limits of villages Doddabasavanahalli and Chikkabasavanahalli, Shantigramma Hobli, Hassan Taluk, Hassan dist. measuring an total extent of 250 acres.
- 5.2) The short term secured borrowings of ₹ 83,268.07 Lacs includes Cash credit facility of ₹ 18,051.47 Lacs with interest rate in the range of 10% p.a to 13% p.a, Preshipment Credit in Foreign Currency and bill discounting/Postshipment credit in Foreign currency facility of ₹ 18,398.17 Lacs with interest rate in the range of 6% p.a to 10% p.a, Overdraft and Indian rupee loan of ₹ 46,818.42 Lacs with interest rate of 8 to 19.5%.
- 5.3) The short term interest free unsecured loans of ₹ 1,578.70 Lacs is from the Directors of the Company, ₹ 1,780.38 Lacs from the Subsidiaries director. The company has also borrowed ₹ 280.00 Lacs from the private finance with the interest rate of 15% to 24% which are repayable on short term basis
- 5.4) Scotia bank has issued winding up notice dated 6th March 2014 for recovery of outstanding dues of ₹ 11,900.00 Lacs as on 31st March 2015. The Management is making efforts to negotiate and settle with said bank for longer repayment. If the Bank does not agree, the management will realise the debtors and will settle the account with said bank.
- 5.5) DBS Bank Limited, State Bank India has suspended charging the interest for the year ending 31st March 2015. However the company has provided for the interest in the books of accounts.

NOTE 6 - TRADE PAYABLES

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Trade payables	933,058,243	226,077,263
Sundry Creditors for Subsidiaries	244,725,400	146,180,381
Total	1,177,783,643	372,257,644

NOTE 6A - DISCLOSURES UNDER SECTION 22 OF THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT 2006

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises as at 31st March, 2015 where the outstanding amount payable to them beyond 45 days are as under:

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
The total amount due to such enterprises beyond 45 days	3,687,371	3,367,981

There is no interest payments for such delayed payments

NOTE 7 - OTHER CURRENT LIABILITIES

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Current maturities of long-term debt	136,900,602	98,197,008
Advance received from Customers	12,213,487	908,338
Inter Corporate Deposit received from Subsidiaries	813,058,642	468,540,475
Inter Corporate Deposit received from others	9,472,195	9,472,195
Provision for Dividend & Dividend Tax	490,765,909	490,765,909
Sundry Creditors for Capital goods	636,514	1,400,823
Unclaimed Dividend	6,608,200	7,165,015
Statutory Dues Payable	5,964,929	6,726,807
Total	1,475,620,478	1,083,176,570

There are no amounts due for payment to the Investor Education and Protection Fund u/s 125 (2) (c) of the Companies Act, 2013.

NOTE 7A - CONTINGENT LIABILITY

Particulars	As at 31.03.2015	As at 31.03.2014
Income Tax matters - The income tax department has raised a demand for tax for the AY 2004-05 for which the company has preferred an appeal before the Commissioner of Income Tax (Appeal) III. Pending disposal of this, the company has not provided liability for income Tax.	1,416,000	1,416,000
Guarantees		
Corporate Guarantee has been given to Advanced Micronic Devices Limited (Company holding 59.71% of shares)	NIL	170,400,000
Corporate Guarantee has been given to Opto Cardiac Care Limited (Company holding 100% of shares)	610,000,000	875,000,000
Corporate Guarantee has been given to Eurocor GmbH on behalf of Opto Eurocor Health Care Limited (Company holding 96.85% of shares)	540,083,200	600,998,000
Corporate Guarantee has been Given to Eurocor Asia Sdn Bhd on behalf of Opto Eurocor Health Care Limited (Company holding 96.85% of shares)	1,339,163,720	1,338,269,840
Corporate Guarantee has been given to Cardiac Science Corporation on behalf of Opto Cardiac Care Limited (Company holding 100% of shares)	5,745,835,440	3,305,489,000

OPTO CIRCUITS (INDIA) LIMITED

NOTE 7A - CONTINGENT LIABILITY(CONTD.)

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Corporate Guarantee has been given to Opto Cardiac Care Limited (Company holding 100% of shares)	1,514,697,360	1,802,994,000
Corporate Guarantee has been given to Criticare Systems Sdn Bhd on behalf of Opto Cardiac Care Limited (Company holding 100% of shares)	312,954,000	NIL
Corporate Guarantee has been given to Unetixs Vascular Inc. on behalf of Opto Cardiac Care Limited (Company holding 100% of shares)	137,699,760	NIL
Corporate Guarantee to Celestica Inc. for credit facility for supply of materials availed by Cardiac Science corporation (subsidiary of Opto Cardiac Care Limited)	938,862,000	NIL
Bank Guarantees issued on behalf of the Company by Banks	NIL	12,500,000

NOTE 7B

The company has filed a Writ petitions No 21942/2011 in the High Court of Karnataka on the ground that income accrued or arising from business carried on by the company as SEZ developer or unit are exempted from applicability of MAT as provided under section 115JB (6) and Section 115-O(6) of the Income tax act. However the writ petition filed by the company came to be dismissed and the contention was not accepted by the single judge of the High court in its judgment dated 12/06/2013. The company filed a Writ Appeal No. 4271/2013 with the Divisional Bench of the Hon'ble High Court of Karnataka which has been admitted on 7th March 2014, adjourned sine die and referred to a larger bench of the Hon'ble Apex Court.

Amount in ₹

Particulars	AY 2013-2014	AY 2012-13
TAX	489,937,012	465,455,768
INTEREST	75,362,548	45,728,656

The company has paid a sum of ₹ 51 crores for the assessment year 2012- 2013 under protest. If the judgment is not favourable then the contingent liability for the assessment year 2013-14 would be ₹ 57 crores

NOTE 7C

In respect to payment of Dividend distribution Tax the company had obtained a stay from the High Court of Karnataka. This stay was dismissed and the company filed a Writ Appeal No. 4271/2013 with the Divisional Bench of the Hon'ble High Court of Karnataka which has been admitted on 7th March, 2014, adjourned sine die and referred to a larger bench of the Hon'ble Apex Court. If the outcome of this appeal is not favorable, there is a contingent Liability to the extent of ₹ 49 crores as outlined below

Amount in ₹

ASSESSMENT YEAR	DIVIDEND DISTRIBUTION TAX	INTEREST AMOUNT	TOTAL
2010-11	124,590,035	51,081,914	175,671,949
2011-12	139,513,855	40,459,018	179,972,873
2012-13	117,930,798	20,048,236	137,979,034
TOTAL	382,034,688	111,589,168	493,623,856

NOTE 8 - SHORT-TERM PROVISIONS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Tax provision less payments (Current tax)	-	97,542,345
Provision for Leave Encashment	7,996,832	7,817,977
Provision for Gratuity	1,380,136	869,197
Total	9,376,968	106,229,519

NOTE 9 - FIXED ASSETS

NOTE 9 - FIXED ASSETS

	Cost				Depreciation/Amortization/Diminution					Net Block		
Particulars	As at 1st April 2014	Additions during the year	Deductions during the year	As at 31-Mar-15	Upto 31st March, 2014	Adjusted in Reserves	Total as on 1st April 2014	For the year	On Deductions	Upto 31-Mar-15	As at 31-Mar-15	As at 31-Mar-14
Amount in ₹												
TANGIBLE ASSETS												
Land	10,970,600			10,970,600	-		-			-	10,970,600	10,970,600
Bore Well	73,655			73,655	-		-			-	73,655	73,655
Office Building	4,347,218			4,347,218	1,634,374	1,714,589	3,348,963	145,197		3,494,160	853,058	2,712,844
Building	29,138,619			29,138,619	11,827,712		11,827,712	2,913,863		14,741,575	14,397,044	17,310,907
Apartment	12,685,605			12,685,605	4,436,307		4,436,307	423,700		4,860,007	7,825,598	8,249,298
GH Furniture & Fittings	657,328			657,328	160,086	225,657	385,743	65,647		451,390	205,938	497,242
Plant & Machinery	182,538,291	1,297,646		183,835,937	84,425,567	12,513,304	96,938,871	12,311,347	-	109,250,218	74,585,720	98,112,725
Furnitures & fittings	21,283,661			21,283,661	9,574,850	2,280,204	11,855,054	1,343,665		13,198,719	8,084,942	11,708,811
Computers	12,621,308	347,025		12,968,333	11,650,515	(631,673)	11,018,842	1,314,680		12,333,522	634,811	970,792
Office Equipments	8,701,768			8,701,768	1,737,372	2,361,939	4,099,311	1,373,898		5,473,209	3,228,559	6,964,396
Electrical Installations	11,157,177			11,157,177	5,336,567	1,874,422	7,210,989	1,148,454		8,359,443	2,797,734	5,820,610
Vehicles	49,064,774		(20,903,616)	28,161,158	42,390,348	983,247	43,373,595	2,781,464	(18,911,152)	27,243,907	917,251	6,674,426
Computers	88,000			88,000	88,000	-	88,000	-		88,000	-	-
Furnitures & fittings	233,562			233,562	167,019	66,543	233,562	-		233,562	-	66,543
Plant & Machinery	1,086,959,579			1,086,959,579	147,792,992	59,635,872	207,428,864	72,464,009		279,892,872	807,066,707	939,166,588
Furnitures & fittings	7,501,956			7,501,956	1,894,633	1,146,511	3,041,144	750,195		3,791,339	3,710,617	5,607,323
Computers	49,468,939			49,468,939	33,959,656	15,475,278	49,434,934	34,006		49,468,939	-	15,509,283
Office Equipments	227,723			227,723	35,710	111,437	147,146	40,798		187,944	39,779	192,013
Electrical Installations	1,652,605			1,652,605	303,192	335,107	638,299	165,260		803,559	849,046	1,349,413
Vehicles	40,710			40,710	17,387	446	17,833	4,071		21,905	18,805	23,323
Total	1,489,413,077	1,644,671	(20,903,616)	1,470,154,132	357,432,286	98,092,883	455,525,168	97,280,253	(18,911,152)	533,894,269	936,259,864	1,131,980,792
Previous year	1,487,207,626	2,205,451	-	1,489,413,077	278,205,346	-	-	79,226,935	-	357,432,281	1,131,980,796	1,209,002,280
Capital Work In Progress	12,883,084			12,883,084						-	12,883,084	12,883,084
INTANGIBLE ASSETS												
(Other than internally generated)												
Computer Software	35,017,228			35,017,228	35,017,228		35,017,228	-		35,017,228	-	-
Total	35,017,228	-	-	35,017,228	35,017,228	-	35,017,228	-	-	35,017,228	-	-
Previous year	35,017,228	-	-	35,017,228	35,017,228	-	-	-	-	35,017,228	-	-

Depreciation of ₹ 9,80,92,883 on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against opening balance of retained earnings pursuant to adoption of estimated useful life of fixed assets as stipulated by Schedule II of Companies Act, 2013.

OPTO CIRCUITS (INDIA) LIMITED

NOTE 10 - NON CURRENT INVESTMENTS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
NON CURRENT INVESTMENTS Unquoted		
(Trade/Non-trade)		
Investments in Equity Shares (Quoted)		
Advanced Micronic Devices Limited 31,53,163 E.shares of ₹ 10.00 fully paid (aggregate cost of quoted investment ₹ 52,461,254 Market value ₹ 38,941,563 as on 31.03.2015 or as on last quoted date)	52,461,254	52,461,254
Investments in Equity Shares (Unquoted)		
Medi Aid Inc.,	445,549,475	445,549,475
Opto Eurocor Healthcare Limited	644,497,714	644,497,714
Devon Innovations	31,250,000	31,250,000
Ormed Medical Tech	8,501,430	8,501,430
Opto Infrastructure Limited	187,536,500	187,536,500
Opto Circuits (Malaysia) SDN BHD	446,300,000	446,300,000
Opto Cardiac Care Limited	2,000,550,050	2,000,550,050
Total	3,816,646,423	3,816,646,423

NOTE 11 - BREAK UP OF DEFERRED TAX ASSET AS AT YEAR END

Amount in ₹

Nature of timing difference	As at 31.03.2015	As at 31.03.2014
Provision for Depreciation	3,499,718	5,307,903
Deferred tax asset/(liability) net:	3,499,718	5,307,903

NOTE 11-A

a) Deferred tax is recognised on timing differences between the accounting income and the taxable income for the current year and is quantified using the tax rates.

NOTE 12 - INVENTORIES

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
(At lower of cost and net realisable value)		
Raw materials	2,512,537,458	3,481,562,315
Work - in - Progress	903,978,404	907,113,715
Total	3,416,515,862	4,388,676,030

NOTE 13 -TRADE RECEIVABLES

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
(Unsecured, considered good unless otherwise stated)		
1) Debts due for a period exceeding six months		
Considered Good	5,818,535,027	1,688,202,064
Considered Doubtful	-	-
	5,818,535,027	1,688,202,064
2) Other Debts:		
Considered Good	641,456,278	4,461,861,055
	641,456,278	4,461,861,055
Total	6,459,991,305	6,150,063,119

NOTE 14 - CASH AND CASH EQUIVALENTS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Balances with banks in -		
Current Account	17,125,585	16,934,725
Margin Money	-	5,657,100
	17,125,585	22,591,825
Cash on hand	448,968	489,997
Total	17,574,553	23,081,823

NOTE 15 - SHORT TERM LOANS AND ADVANCES

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
(Unsecured, considered good unless otherwise stated)		
Loans and Advances to related parties (giving details thereof)		
Advances to Suppliers & Services - Subsidiaries	838,511,721	354,743,234
Advances for Supply of Capital Goods - Subsidiaries	59,360,319	59,360,319
Inter corporate Deposits - Subsidiaries	6,610,347,497	7,122,067,477
	7,508,219,537	7,536,171,030
Others		
Advances to Suppliers & Services - Others	1,646,565,334	1,643,906,871
Advances for Supply of Capital Goods - Others	6,043,171	13,995,110
Other Advances & Deposits	16,053,342	15,741,716
	1,668,661,847	1,673,643,697
Taxes paid in advance less provisions (current tax)	401,094,725	499,198,554
Total	9,577,976,108	9,709,013,280

NOTE 16 -OTHER CURRENT ASSETS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Prepaid Expenses	790,303	1,183,609
Total	790,303	1,183,609

OPTO CIRCUITS (INDIA) LIMITED

NOTE 17 - REVENUE FROM OPERATIONS

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Sale of products	1,461,432,372	2,627,848,033
Total	1,461,432,372	2,627,848,033

NOTE 17A- EARNINGS IN FOREIGN EXCHANGE

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Sales	1,157,437,075	2,286,716,509
Total	1,157,437,075	2,286,716,509

NOTE 18 - OTHER INCOME

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Net gain on foreign currency transaction and translation	(52,208,388)	(16,759,250)
Total	(52,208,388)	(16,759,250)

NOTE 19. COST OF MATERIALS CONSUMED

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Opening stock	3,481,562,315	2,733,145,770
Add: Purchases	1,483,663,468	1,977,661,447
Less: Closing stock	2,512,537,458	3,481,562,315
Total	2,452,688,324	1,229,244,902

Note: Cost of materials consumed includes exceptional item as explained further in detail under note no. 23E.

NOTE 19A - VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED

Amount in ₹

Particulars	For the year ended on 31.3.2015		For the year ended on 31.3.2014	
	Value (₹)	Percentage (%)	Value (₹)	Percentage (%)
Imported	620,883,280	97.21%	1,198,392,786	97.49%
Indigenously obtained	17,804,844	2.79%	30,852,117	2.51%
Total	638,688,124	100%	1,229,244,902	100%

NOTE 19B - CIF VALUE OF IMPORTS

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Raw materials	1,059,737,245	1,959,525,828
Components and Spare Parts	67,452	186,003
Total	1,059,804,697	1,959,711,831

NOTE 20 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Inventories at the end of the year:		
Work-in-progress	903,978,404	907,113,715
	903,978,404	907,113,715
Inventories at the beginning of the year:		
Work-in-progress	907,113,715	872,126,253
	907,113,715	872,126,253
Net (increase) / decrease	3,135,311	(34,987,462)

NOTE 21 - EMPLOYEE BENEFIT EXPENSE

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Salaries and wages	85,232,667	84,570,505
Contribution to provident and other funds	5,662,042	4,418,268
Staff welfare expenses	9,801,722	10,513,015
Total	100,696,431	99,501,788

NOTE 22 - FINANCE COSTS

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Interest expense	539,394,011	520,833,857
Other borrowing costs	19,668,281	289,926
Bank Charges	19,098,243	14,695,703
Total	578,160,535	535,819,486

NOTE 22A - FINANCE COST

During the year company has recovered from subsidiaries towards interest on the loan extended to them amounting to ₹ 4071.15 lakhs which is arrived based on the average rate of interest paid to Bank on the amount borrowed by the company.

OPTO CIRCUITS (INDIA) LIMITED

NOTE 23 - OTHER EXPENSES

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
MANUFACTURING AND OPERATING COST		
Insurance	3,267,680	3,228,489
Labour Charges & Job Work	17,198,854	14,548,546
Power & Fuel	11,050,150	6,830,781
R&D, Product Development Expenses	61,849,055	64,832,398
Repairs & Maintenance - Building	95,780	418,807
Repairs & Maintenance - Electricals & Others	2,420,167	570,410
Repairs & Maintenance - Plant & Machinery	2,278,468	1,326,091
Tooling Charges	522,974	105,248
Total A	98,683,128	91,860,770
ADMINISTRATIVE EXPENSES:		
Share Transfer charges	229,212	229,212
Advertisement & Trade Shows	1,678,495	1,622,362
Directors Remuneration	7,870,536	7,870,536
Electricity & Water Charges	2,919,898	2,758,483
General Expenses	7,451,035	1,237,570
Membership, Books & Periodicals	88,465	5,815
Miscellaneous expenses	11,400,000	11,236,000
Net loss on sale of assets	(78,817)	-
Office Maintenance	1,873,096	2,157,953
Postage, Telephone & Fax Charges	5,018,278	3,733,096
Printing & Stationery	6,807,686	7,135,220
Prior period items	18,241	551,354
Professional Consultancy Charges	12,384,678	13,958,954
Rates & Taxes	5,304,554	1,705,008
Rent	2,214,693	2,582,496
Travelling & Conveyance	5,334,148	4,470,276
Total B	70,514,198	61,254,335
SELLING EXPENSES:		
Business Promotion Expenses	329,161	355,065
Clearing Charges	5,050,106	6,984,397
Freight & Handling Charges	8,235,808	18,568,643
Packing Materials	2,879,061	5,957,437
Total C	16,494,136	31,865,542
Total (A+B+C)	185,691,462	184,980,647

NOTE 23A - PRIOR PERIOD EXPENSES - CONSISTS OF THE FOLLOWING ITEMS

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Professional fees	14,607	206,743
Fax & Telephone	3,634	-
Postage	-	6,333
Clearing charges	-	49,495
Office maintenance	-	56,533
Freight & Handling charges	-	28,274
Labour charges	-	203,976
Total	18,241	551,354

NOTE 23B - PRODUCT DEVELOPMENT EXPENSES

The expenses incurred with respect to product development is written off in the year it has incurred and the entire amount is charged off in the Profit and Loss account.

NOTE 23C - MISCELLANEOUS EXPENSES INCLUDE PAYMENT TO AUDITORS

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Audit fees	7,500,000	7,500,000
Tax Audit fees	2,500,000	2,500,000
Other services	2,187,492	449,440
Total	12,187,492	10,449,440

NOTE 23D - EXPENDITURE IN FOREIGN CURRENCY

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Interest	-	4,629,304
Freight & Travel Expenses	255,594	31,689
Tooling Charges	533,364	-
Legal & Professional Charges	4,981,481	85,661
Total	5,770,439	4,746,654

NOTE 23E: EXCEPTIONAL ITEMS

Due to the impact of cyclonic flood 'HUD-HUD' in october 2014 at vishakapatanam SEZ plant, an amount of ₹ 18140.00 lakhs was assessed and the loss of stock/Inventories is indicated under exceptional items.

OPTO CIRCUITS (INDIA) LIMITED

NOTE 24 - PROVISION FOR TAXATION

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Current Tax	4,879,928	97,542,345
Deferred Tax	1,808,185	(1,819,085)
Total	6,688,113	95,723,260

NOTE 25- EARNINGS PER SHARE

Amount in ₹

Particulars	For the year ended on 31.3.2015	For the year ended on 31.3.2014
Profit after tax	(2,015,116,445)	421,579,226
Basic and Weighted average number of Equity Shares outstanding during the period	242,319,407	242,319,407
Nominal Value of Equity Shares	10	10
Basic Earnings per Equity Shares	(8.32)	1.74

NOTE 26 - DETAILS OF FOREIGN CURRENCY EXPOSURES THAT ARE NOT HEDGED BY A DERIVATIVE INSTRUMENT OR OTHERWISE.

Amount in ₹

Particulars	Amount in Foreign Currency		Equivalent amount in ₹	
	Current Year	Previous Year	Current Year	Previous Year
Sundry Creditors				
US\$	6,629,891	3,980,922	414,970,170	239,252,643
Euro	1,495	35,719	100,928	2,949,544
Loans and Advances received US\$	6,124,502	5,204,772	383,337,484	312,805,772
Bank Borrowings US\$	32,551,511	37,433,263	2,037,425,143	2,249,731,640
Sundry Debtors US\$	103,186,073	102,306,009	6,458,498,878	6,148,570,691
Loans and Advances Paid				
US\$	37,250,110	36,442,941	2,331,514,157	2,190,213,486
Euro	50,100	92,076	3,382,271	7,603,277
SG\$	-	20,452	-	976,254

27 SEGMENT INFORMATION :

27A PRIMARY SEGMENTS - BUSINESS SEGMENTS

Amount in ₹

Particulars	Sensors		Monitors		Others		Total Amount	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
A SEGMENT REVENUE								
Sales Revenue	506,304,434	1,580,083,499	869,775,154	938,622,230	85,352,784	109,142,304	1,461,432,372	2,627,848,033
Other Income							(52,208,388)	(16,759,250)
B SEGMENT RESULTS								
Profit/(Loss) after considering other income and before interest and tax)	182,839,012	724,477,712	314,097,250	430,363,893	30,822,994	50,042,398	527,759,257	1,204,884,002
Interest expenses and other borrowing cost							578,160,534	535,819,486
Other Un-allocable Expenditure							144,026,855	151,762,030
Profit before tax	182,839,012	724,477,712	314,097,250	430,363,893	30,822,994	50,042,398	(194,428,132)	517,302,486
C SEGMENT ASSETS	3,750,481,210	7,025,165,884	6,442,912,910	4,173,182,539	632,255,994	485,254,603	10,825,650,114	11,683,603,026
UNALLOCATED CORPORATE ASSETS							13,416,487,106	13,555,233,037
Total Assets	3,750,481,210	7,025,165,884	6,442,912,910	4,173,182,539	632,255,994	485,254,603	24,242,137,220	25,238,836,063
D SEGMENT LIABILITIES	412,487,848	224,740,978	708,608,610	132,964,044	69,537,187	16,861,784	1,190,633,645	374,566,805
Unallocated Corporate liabilities							10,201,613,574	9,901,169,930
TOTAL LIABILITIES								
E SEGMENT CAPITAL EXPENDITURE	569,786	-	978,830	655,500	96,055	1,549,951	1,644,671	2,205,451
Segment fixed assets								
F DEPRECIATION / AMORTISATION	33,702,157	47,637,904	57,896,588	28,298,502	5,681,509	3,290,529	97,280,254	79,226,935

OPTO CIRCUITS (INDIA) LIMITED

27B SECONDARY SEGMENTS - GEOGRAPHICAL SEGMENTS

Amount in ₹

Particulars	Current Year	Previous Year
i) Sales Revenue by Geographical Location of Customers (Net of Excise Duty)		
Within India	3,734,260	
Outside India	1,457,698,112	2,627,848,033
ii) Carrying Amount of Segment Assets		
Within India	24,767,291,904	25,238,836,062
Outside India		
iii) Capital Expenditure		
Within India	1,644,671	2,205,451
Outside India		-
iv) Sales Revenue by Geographical Market		
India		
Asia	910,426,129	1,942,601,196
America	528,805,288	655,231,075
Europe	22,200,955	30,015,762
Others		-

NOTE 27C – BUSINESS SEGMENT INFORMATION

The Company has considered business segment as the Primary Segment for disclosure. The product included in each of the reported domestic business segments are as follows:

- a. Sensors
- b. Monitors
- c. Others

NOTE 27D – THE GEOGRAPHICAL SEGMENTS CONSIDERED FOR DISCLOSURE ARE AS FOLLOWS:

- a. Sales within India includes sales to customers located within India.
- b. Sales outside India includes sales to Customer located outside India.
- c. The carrying amount of Segments assets in India and outside India is based on Geographical location of assets.

NOTE 28- RELATED PARTY DISCLOSURES**NOTE 28A - NAME OF THE RELATED PARTY AND NATURE OF RELATIONSHIP WHERE CONTROL EXISTS:**

Name of Related Party	Nature of Relationship	% of Holding
1) Advanced Micronic Devices Limited	Subsidiary Company	59.71%
2) Mediaid Inc, USA	Subsidiary Company	100.00%
3) Devon Innovations Private Limited	Subsidiary Company	100.00%
4) Ormed Medical Technology Limited	Subsidiary Company	100.00%
5) Opto Infrastructure Limited	Subsidiary Company	87.20%
6) Maxcor Lifescience Inc, USA	Subsidiary Company	100.00%
7) Opto Circuits (Malaysia) Sdn, Bhd.	Subsidiary Company	100.00%
8) Opto Cardiac Care Limited	Subsidiary Company	100.00%

NOTE 28A – NAME OF THE RELATED PARTY AND NATURE OF RELATIONSHIP WHERE CONTROL EXISTS (CONTD.)

Name of Related Party	Nature of Relationship	% of Holding
9) Opto Eurocor Healthcare Limited	Subsidiary Company	96.85%
10) Cardiac Science Corporation	Stepdown Subsidiary company	NA
11) Criticare System Inc,	Stepdown Subsidiary company	NA
12) Unetixs Vascular Inc	Stepdown Subsidiary company	NA
13) Eurocor Gmbh	Stepdown Subsidiary company	NA
14) Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	NA
15) Eurocor (S) Pte. Ltd.	Stepdown Subsidiary company	NA
16) N S Remedies Private Limited	Stepdown Subsidiary company	NA

Key Management Personnel	
Name of Related Party	Relationship
1) Vinod Ramnani	Key Management Personnel
2) Usha Ramnani	Key Management Personnel
3) Jayesh C Patel	Key Management Personnel
4) Thomas Dietiker	Key Management Personnel
5) Srinivas M	Key Management Personnel
6) Bhaskar Valiveti	Key Management Personnel

NOTE 28B - RELATED PARTY TRANSACTIONS

Amount in ₹

Nature of Transactions & Name of Related Party	Description of Relationship	Amount of Transaction	
		2014-15	2013-14
PURCHASES			
Raw Materials & Consumables			
Cardiac Science Corporation	Stepdown Subsidiary company	20,190	-
Mediaid Inc	Subsidiary Company	320,163	6,937,475
Criticare System Inc	Stepdown Subsidiary company	21,816,168	24,704,145
SALES			
Finished Goods			
Mediaid Inc	Subsidiary Company	18,934,304	7,808,865
Criticare System Inc	Stepdown Subsidiary company	68,194,959	278,565,568
Advanced Micronic Devices Limited	Subsidiary Company	3,734,260	4,094,222
Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	-	45,010
Unetixs Vascular Inc	Stepdown Subsidiary company	-	163,050
Cardiac Science Corporation	Stepdown Subsidiary company	81,600,471	38,008,850
Opto cardiac care ltd	Subsidiary Company	-	1,492,428
Criticare systems(m) sdn bhd	Stepdown Subsidiary company	-	170,177
Loans & Advances (Debit Balance)			
Advanced Micronic Devices Limited	Subsidiary Company	155,534,920	136,440,351
Opto Eurocor Healthcare Limited	Subsidiary Company	673,645,306	1,103,343,208
Cardiac Science Corporation	Stepdown Subsidiary company	54,902,167	-
Criticare System Inc,	Stepdown Subsidiary company	59,360,319	59,360,319
N S Remedies Private Limited	Stepdown Subsidiary company	9,948,581	25,748,659
Opto Cardiac Care Limited	Subsidiary Company	6,036,852,479	5,692,142,567

OPTO CIRCUITS (INDIA) LIMITED

NOTE 28B - RELATED PARTY TRANSACTIONS (CONTD.)

Mediaid Inc	Subsidiary Company	313,376,879	313,417,444
Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	99,617,308	99,617,308
Eurocor GmbH	Stepdown Subsidiary company	104,981,578	106,101,174
Loans & Advances (Credit Balance)			
Cardiac Science Corporation	Stepdown Subsidiary company	172,255,366	111,337,438
Criticare System Inc	Stepdown Subsidiary company	132,922,326	162,237,985
Devon Innovations Private Limited	Subsidiary Company	114,727,414	129,957,019
Mediaid Inc	Subsidiary Company	12,952,747	12,952,747
Ormed Medical Technology Limited	Subsidiary Company	12,173,286	12,600,000
Opto Infrastructure Limited	Subsidiary Company	329,790,080	13,496,022
Unetixs Vascular Inc	Stepdown Subsidiary company	29,476,275	25,959,264
Criticare systems(m) sdn bhd	Stepdown Subsidiary company	8,761,148	-
Vinod Ramnani	Key Management Personnel	118,870,476	146,939,038
Usha Ramnani	Key Management Personnel	64,373,547	64,373,548
Jayesh C Patel	Key Management Personnel	39,000,000	39,000,000
Srinivas M	Key Management Personnel	534,890	1,334,891
Bhaskar Valiveti	Key Management Personnel	113,130,000	113,130,000
Sundry Debtors (Balances)			
Mediaid Inc	Subsidiary Company	21,012,314	5,847,937
Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	525,332	525,332
Criticare systems(m) sdn bhd	Stepdown Subsidiary company	175,732	175,732
Criticare systems inc	Stepdown Subsidiary company	9,262,199	26,074,023
Opto cardiac care ltd	Subsidiary Company	1,492,428	1,492,428
Cardiac science corporation	Stepdown Subsidiary company	-	1,197,188
Sundry Creditors (Balances)			
Advanced Micronic Devices Limited	Subsidiary Company	32,224	11,009
Criticare System Inc,	Stepdown Subsidiary company	106,398,812	70,572,127
Cardiac Science Corporation	Stepdown Subsidiary company	1,085,005	-
Mediaid Inc	Subsidiary Company	137,209,358	75,597,245
Management Contracts including for Deputation of Employees			
Directors Remuneration			
Vinod Ramnani	Key Management Personnel	7,870,536	7,870,536

NOTE 29

Previous year's figures have been regrouped /reclassified wherever necessary to correspond with the current year's classification / disclosure.

For and on behalf of the Board of Directors

VINOD RAMNANI
Chairman & Managing Director

JAYESH PATEL
Director

Place: Bengaluru
Date: 1st December, 2015

As per our report of even date

FOR ANAND AMARNATH & ASSOCIATES
Chartered Accountants

B K AMARNATH
Partner

Membership Number: 26536
Firm Registration Number: 000121S

REPORT OF THE AUDITORS TO

THE BOARD OF DIRECTORS OF OPTO CIRCUITS (INDIA) LIMITED

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Opto Circuits (India) Limited and its subsidiaries (the Group) which comprise the consolidated balance sheet as at 31st March, 2015, the consolidated statement of Profit and loss and consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (particularly Accounting Standard 21 - Consolidated Financial Statements). The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards

and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under sub section 10 of Section 143 of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated financial statements

Basis for Qualification

1. Opto Circuits (India) Ltd has defaulted in payment of dividend to the shareholder to the tune of Rs10.89 Crores

OPTO CIRCUITS (INDIA) LIMITED

relating to financial year 2011-12. Further the said amount is not kept in the specified account with the bank.

2. Company Opto Circuits (India) Ltd including its subsidiaries Opto Cardiac Care Ltd and Opto Eurocor Healthcare Ltd have made investments in various Indian and overseas subsidiaries. We have called for the share certificates in original of these investments and the Company has not produced them for our verification.

3. Non Moving Stock

a) In respect of one of its subsidiaries, Advanced Micronic Devices Ltd, we observed that there were stock of Terminal and Multi Para Patient Monitors that were non moving for more than 3 years, resulted in not being sold aggregating to Rs.18.43 crores, which includes stock covered under stock audit report of Subhas Patil & Co, for financial year 2013-14 a firm of independent chartered accountants appointed by State Bank of India, we had qualified our audit report regarding non-moving stock terminals and multi para patient monitors not being sold amounting to ₹ 17.47 Crores for the financial year 2013-14.

In response to our qualification, the management had given reply that they will modify the terminals and multi para patient monitors and sell them in developing countries. On perusal of balance sheet of the Company, position remains the same as on the date of report.

b) In respect of one of its subsidiary, Opto Eurocor Healthcare Ltd, we have noticed that there were non-moving stock resulted in not being sold, aggregating to ₹ 16.06 Crores.

c) In respect of its step down subsidiary, Eurocor Malaysia (Subsidiary of Eurocor Healthcare Ltd) there were non-moving stock resulted in not being sold, aggregating to ₹39.43 Crores.

d) In respect of its step down subsidiary Eurocor Singapore (Subsidiary of Eurocor Healthcare Ltd), there were non-moving stock resulted in not being sold aggregating to Rs13.67 Crores.

All these non moving stocks have shelf life. The group has not assessed realizable value of the above said non-moving stocks.

4. Long outstanding Receivables

a] Based on the information and explanations given to us and on the basis of our examination of the books of accounts of the Holding Company Opto Circuits(India) Ltd and its subsidiaries/step down subsidiaries, we have observed that

there were receivables not realised for more than 360 days as on 31st March 2015.

b] Company has not obtained confirmation of balances of debtors outstanding as on 31.03.2015. The management has not made assessment about recoverability of these receivables and has not made necessary provisions for bad and doubtful debts.

c] Further in respect of the subsidiary Advanced Micronic Devices Ltd, during the previous financial year 2013-14, based on stock audit report of Subhas Patil & Co, a firm of independent chartered accountants appointed by state Bank of India, we had qualified our audit report about non receivable debtor outstanding for more than 360 days, aggregating to ₹ 19.67Crores.

In response to our qualification, the management had stated that these long outstanding receivables were good and will be realised by December 2014. On perusal of balance sheet of the company, position remains the same as on the date of report.

5.As on 31.03.2015, the Company Opto Circuits(India) Ltd was in default in repayment to the banks as outlined below:

Name of the bank	Facility	Amount (in Rs. Crores)
Bank Nova Scotia	Working capital	119.00
HDFC Bank Ltd	Working capital	51.47
State Bank of India	Working capital	180.51
	TOTAL	350.98

Bank Nova Scotia and HDFC Bank Ltd have issued winding up notices dated 03/06/2014, and 24/11/2014 respectively for recovery of the above outstanding dues and there is no assurance that the banks will not exercise their default rights and the bankers have filed winding up petition in the High Court of Karnataka against the company.

During the course of audit we also noticed that State bank of India has issued notice under SARFAESI ACT, on factory building and current assets of the company. State Bank of India has taken symbolic possession of the property at 83, Electronic City, Phase-1, Hosur Road, Bangalore. As on date, State Bank of India has put up notice for auctioning of the above property.

6.With regard to one of the its wholly owned subsidiary, Cardiac Science Corporation for which the audit was completed on 24/07/2015 for the financial year 2014-15, on

review of their audit report, we have observed that company has incurred net loss during March 31, 2015 and as of that date, had working capital deficiency and accumulated deficit. Due to which, the auditor of that Company has expressed their opinion that in the existing conditions raise substantial doubt about the company's ability to continue as a going concern.

7. Opto Circuits (India) Ltd has given advance of ₹ 15.55 Crores to its subsidiary, Advanced Micronic Devices Ltd (holding 59% of shareholding). The subsidiary has stopped its business operation since July 2015. In this situation it is difficult to realize this amount and the Company has not made necessary provision in this regard.

8. Opto Eurocor Health care Ltd and Opto Infrastructure Ltd have also given advance of ₹ 1.32 crores and ₹ 1.63 crores to Advanced Micronic Devices Ltd respectively. Since Advanced Micronic Devices Ltd has stopped its business operation since July 2015, in this situation it is difficult to accept that Opto Eurocor Healthcare Ltd and Opto Infrastructure Ltd will be able to recover their advances.

9. Advanced Micronic Devices Ltd has a branch at U S A. This branch has not been audited by any other independent auditors for any financial year and also the Company has not produced any records for our verification to check the correctness of the entries in the branch books. These entries are certified by management, where in the branch share of assets are ₹ 5.42 crores. Our report in so far it relates to the amount included in respect of the branch is based solely on financial statements certified by the branch management. In the absence of independent audit we are unable to comment on correctness of unaudited results of the above mentioned branch.

10. The financial statements of Eurocor GmbH, overseas subsidiary of Opto Eurocor Health care Ltd have not been audited by an independent auditor of that country for past three financial years, 2012-13, 2013-14 and 2014-15 in spite of audit being compulsory in that country in that country.

11. Similarly, the financials statements of Eurocor Malaysia and Eurocor Singapore overseas subsidiaries of Opto Eurocor Health care Ltd, have not been audited by independent auditors of their respective countries for the financial years 2013-14 and 2014-15, in spite of audit being compulsory in those country in the respective years.

These unaudited financial statements as approved by the Director of the respective Companies have been furnished to us by the management and our report in so far as it relates to the amount included in respect of each subsidiary, is based solely on such approved unaudited financial statements. In the absence of audit /audit report, we are unable to comment on the correctness of these accounts.

12. Indian subsidiary, Advanced Micronic Devices Ltd has defaulted in payment of dividend to Opto Circuits (India) Ltd, the holding company, to the tune of ₹ 0.31 Crores relating to financial year 2011-12.

13. During financial year 2013-14, the Indian subsidiary, Advanced Micronic Devices Limited had opted for VCES scheme under service tax act for its service tax liability outstanding for the period October 2007 to December 2012. This pertains to its Delhi branch and Bangalore branch. However, during the survey conducted by service tax intelligence at its Delhi branch on 29/6/2013, it was found that the Company had utilized cenvat credit of ₹ 0.81 Crores for payment of service tax liability of Delhi branch under VCES scheme. This credit was disallowed by service tax intelligence and the company was issued a show cause notice. The Company has filed a reply before Commissioner of Service tax Delhi. If the reply is not favorable to the Company, the Company will be liable to pay interest and penalty on such amount. Under such circumstances they are not eligible for claiming benefit under VCES Scheme.

Whereas in Bangalore branch they have accepted not claiming cenvat credit for payment of service tax liability under VCES scheme. There is variance in two VCES applications. We are of the Opinion that VCES application may be disallowed at Delhi branch and the Company may land up in huge penalty. To that extent there is a contingent liability on the Company.

14. Opto Eurocor Healthcare Ltd's subsidiaries, Eurocor Singapore and Eurocor Malaysia have suspended their business operation since November 2014.

15. Entire equity shares of Cardiac Science Corporation and Criticare System Inc were pledged and lease hold rights of the property of MCH reality which is subsidiary of Unitex vascular Inc were pledged with DBS Bank Ltd at the time of restructuring of various loan facilities sanctioned by DBS bank during the year.

One of the conditions of the pledge of the shareholding of the company was that they have taken proxy with voting rights from existing shareholder (i.e Opto Cardiac Care Ltd) which is a subsidiary of Opto Circuits (India) Ltd owning these companies.

In the event of any default, the bank reserves the right to replace the Board of Directors and sell the shareholding of the Company. During June 2015, Cardiac Science Corporation had defaulted loan commitment to DBS bank and the Bank had issued the notice stating that they will exercise the rights under agreement executed with the Company.

Exercising the proxy right they removed the directors of Cardiac Science Corporation USA and Criticare Systems Inc USA, putting Criticare Inc USA for voluntary winding up and

Cardiac Science Corporation, USA for bankruptcy under USA Bankruptcy Law.

However the management of Cardiac Science Corporation USA have contested in jurisdiction court for the action taken by the lender.

The lender (DBS Bank) has assigned the debt to CFS (Associate of Aurora Finance Corporation) USA. CFS has replaced the Board of Directors of Cardiac Science Corporation and Criticare System Inc USA. Opto Cardiac Care Ltd and Opto Circuits (India) Ltd have filled objection in the US Courts.

16. During the year under audit in the case of Holding company Opto Circuits (I) Ltd due to the impact of cyclonic flood 'HUD-HUD' in October 2014 at Vishakapatnam SEZ plant, an amount of ₹ 181.40 Crores was assessed and the loss of stock/Inventories was indicated under exceptional items in statement of profit and loss account for the year ending 31.03.2015. The Company has lodged claim with insurance company and the actual loss is yet to be determined. Also the Company is yet to get clearance from the Customs and Excise department in this regard.

Qualified Opinion

Refer to the note.30B forming part of financial statements (Notes) regarding original writ petition no.21942/2011 which has been dismissed by single judge of the High court for which company has filed review petition no.4271/2013 with the divisional Bench of Hon'ble High court of Karnataka

which has been admitted on 7th March 2014 on the ground that the income accrued or arising from business carried on by them as SEZ developer or unit are exempted from applicability of MAT as provided under subsection 6 of section 115 JB and subsection 6 of section 115-O of the Income Tax Act. Accordingly during the year the company has not provided for Minimum Alternative Tax including interest as on 31.03.2014 aggregating to ₹ 57 crores for the A Y 2013-14. Subject to above and points 1 to 16 of basis for qualification referred to above and based on our audit as aforesaid, in our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the consolidated balance sheet, of the state of affairs of Opto Circuits (India) Limited Group as at 31st March, 2015.
- b) In the case of the consolidated statement of profit and loss, of the loss for the year ended on that date.
- c) In the case of consolidated cash flow statement of the cash flow for the year ended on that date

Other Matters

Below mentioned audited financial statements which have been audited by other independent auditors and unaudited financial statements of subsidiaries and step-down subsidiaries have been consolidated.

Audited Financial statements:

Amount in Crores

Name	Relationship with Opto Circuits (India) Ltd	Contribution Towards Assets	Contribution Towards Revenue
N.S.Remedies, (subsidiary Of Opto Eurocor Health Care Ltd)	Step-down subsidiary.	3.77	2.28
CardiacScience Corporation,USA (subsidiary Of Opto Cardiac care Ltd)		834.89	589.34
Criticare Systems Inc, USA,(subsidiary Of Opto Cardiac care Ltd)	Step-down subsidiary.	445.14	141.38
Unitexs Vascular Inc.,USA, (subsidiary Of Opto Cardiac care Ltd)	Step-down subsidiary.	53.17	43.26
Total (a)		1336.97	776.26

Unaudited financial statements

Amount in Crores

Name	Relationship with the Company	Contribution Towards Assets	Contribution Towards Revenue
Mediaid Inc U.S.A	Subsidiary	270.25	81.78
Eurocor Asia Sdn Bhd,	Step-down subsidiary	416.99	0.00
Eurocor Singapore Pte Ltd,(subsidiary Of Opto Eurocor health care ltd)	Step-down subsidiary	240.12	0.001
Opto Circuits(Malaysia)	Subsidiary	150.58	5.75
Eurocor Plond Sp Z.oo, (Step_down subsidiary Of Opto Eurocor health care ltd)	Step-down subsidiary	0.72	0.74
Eurocor GmbH, (subsidiary Of Opto Eurocor health care ltd)	Step-down subsidiary	336.75	97.95
Total (b)		1,415.42	186.22
Grand Total (a+b)		2,752.40	962.49

To sum up, above mentioned subsidiaries reflects total assets and total revenue as against the consolidated total assets and total revenue as mentioned below:

Amount in Crores

	Audited Financial statements	Unaudited financial statements	Consolidated financial statements (Opto circuits(india) Ltd group)
Revenue	776.26	186.22	962.49
Assets	1336.97	1415.42	2752.90

We have relied on the above unaudited financial statements of subsidiaries Mediaid Inc U.S.A, Eurocor Asia Sdn Bhd, Eurocor Singapore Pte Ltd, Opto Circuits(Malaysia), Eurocor Plond Sp Z.oo, and Eurocor GmbH.

These unaudited financial statements as approved by the respective Chief executive officers/key management personnel of these Companies have been furnished to us by the management and our report in so far it relates to the amount included in respect of the subsidiaries is based solely on such approved unaudited financial statements and in the absence of independent audit we are unable to comment on the correctness of unaudited results of the above mentioned companies.

We report that the consolidated financial statements have been prepared by OPTO CIRCUITS (INDIA) LTD's management in accordance with the requirements of Accounting Standard 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Act, based on the comments in the auditors' reports of the Holding Company and subsidiary companies incorporated / registered in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by sub-sections 3 of Section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements, and unaudited financial statements as approved by the respective Chief executive officers/key management personnel wherever applicable and the other financial information of a subsidiaries, as noted in the 'Other Matter' paragraph, we report, to the extent applicable, that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books, the reports of the other auditors and unaudited financial statements as approved by the respective chief Executive officer/Key management personnel wherever applicable.

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements

(d) Subject to the note. 30B forming part of financial statements (Notes) regarding non-provision of Minimum Alternative Tax In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the relevant assertion contained in the audit reports on standalone financial statements of each subsidiary company which are incorporated in India none of the Directors of any such Company is disqualified as on March 31, 2015 from being appointed as a Director of that Company in terms of sub-section 2 of Section 164 of the Act

(f) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of a subsidiary as noted in the 'Other Matter' paragraph:

i. The Company has disclosed the impact of pending litigations on its financial statements :-refer Note 30B

ii. The Company did not have any long term contracts for which there were any material foreseeable losses; and

iii. There has been no delay in transferring amounts required to be transferred to the Investors Education and Protection Fund by the Company.

For ANAND AMARNATH & ASSOCIATES

Chartered Accountants

Firm Registration Number: 000121S

B.K. AMARNATH

Partner

Membership Number: 26536

Place: Bengaluru

Date: 1st December, 2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

As stated in Para 1 'Report on Other Legal and Regulatory Requirements' in our Auditors' report of even date, the following statement is based on the comments in the Auditors' reports on the standalone financial statements of the Holding Company and subsidiary companies incorporated in India.

(i) (a) The Holding Company and its subsidiary companies incorporated in India have maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Holding Company and its subsidiary companies incorporated in India have a regular programme of physical verification of its fixed assets. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Group and its jointly controlled company and the nature of its assets. In accordance with this programme, the fixed assets has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.

(ii) (a) The inventories, have been physically verified by the respective management of the Holding Company and its subsidiary companies incorporated in India during the year. In our opinion, the frequency of such verification is reasonable.

(b) The procedures for the physical verification of inventories followed by the management as referred to above are reasonable and adequate in relation to the size of the respective Company and the nature of its business.

(c) The Holding Company and its subsidiary companies incorporated in India are maintaining proper records of inventory. According to the records produced to us, no discrepancies were noticed on verification between physical stocks and stock records

iii)

1. Subject to our qualification in the audit report, the Holding Company and its subsidiary companies incorporated in India have granted unsecured loan, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

2. In the case of the loans granted to the bodies corporate listed in the register maintained under section 189 the

borrower have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and loans are repayable on demand.

3. There are no overdue amounts of more than Rupees one lakh in respect of the loan granted to the body corporate listed in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us the Holding Company and its subsidiary companies incorporated in India, these Companies have an adequate internal control system commensurate with the respective size of each company and the nature of its business with regard to purchase of inventories and fixed assets and sale of goods and services and there is no continuing failure to correct major weaknesses in internal control system in any of these companies.

(v) The Holding Company and its subsidiary company incorporated in India have not accepted any deposits in accordance with the provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) We have broadly reviewed the books of account maintained by each company pursuant to the rules prescribed by the Central Government for maintenance of cost records under sub-Section 1 of Section 148 of the Act wherever applicable and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. For subsidiary company Advanced Micronics Devices Ltd incorporated in India, being in service sector the Central Government has not prescribed the maintenance of cost records under sub-section 1 of Section 148 of the Companies Act, 2013, for the products and services of the Company.

(vii) (a) According to the information and explanations given to us and on the basis of the examination of the records of the Holding Company and its subsidiary companies incorporated in India, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess, Professional tax and other material statutory dues, as applicable, have been generally regularly deposited during the year by each of these companies with the appropriate authorities except Advanced Micronic Devices Ltd..

According to the information and explanations given to us the Holding Company and its subsidiary companies incorporated in India, no undisputed dues in respect of Provident Fund, Employees' State Insurance, Sales tax, Wealth tax, Service tax, Customs duty, Excise duty, Value added tax, Cess, Professional tax and other material statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable except below mentioned statutory dues. Further Holding company Opto Circuits(india) Ltd has not yet filled income tax return for the A Y 2014-15.

Name of the company	Nature of statutory dues	Amount (Rs in Crores)
Opto Circuits(India) Ltd	Income tax	16.71
Advanced Micronic Devices Ltd	Service Tax	0.11
	Dividend Distribution Tax	0.31
	Provident Fund	0.01
	ESI	0.07
	TDS (other than on salary)	0.05
	TDS (on salary)	0.35
	VAT	0.21
Opto Cardiac care Ltd	TDS u/s 194A	3.57
Opto Eurocor Health care Ltd	Minimum Alternative Tax	1.96
	TDS u/s 194A	12.32
Opto Infrastructure LTd	TDS and service tax	0.02
Altron Industries Ltd	TDS	0.01
	Service tax	0.01
	TOTAL	35.611

b)According to the information and explanations given to us holding company and its subsidiary companies incorporated in India, there were no amounts payable in respect of, wealth tax, service tax, sales tax, customs duty and excise duty, income tax which have not been deposited on account of any disputes except in the case of holding company with respect to below mentioned amount.

Name of the statute	Name of dues	Amount (Rs in Crores)	Period to which it relates	Forum where dispute is pending
Income tax Authority	Minimum alternative tax	57.00	A Y 2013-14	High Court of Karnataka
Income tax Authority	Dividend distribution tax	17.56	A Y 2010-11	High Court of Karnataka
Income tax Authority	Dividend distribution tax	17.99	A Y 2011-12	High Court of Karnataka
Income tax Authority	Dividend distribution tax	13.80	A Y 2012-13	High Court of Karnataka
	TOTAL	106.35		

c) According to the information and explanations given to us, Holding Company and its subsidiary companies incorporated in India, there were no amounts which is required to be transferred by the Holding Company and the subsidiary companies incorporated in India to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

Viii On a consolidated basis, the Holding Company and its subsidiaries do not have any accumulated losses at the end of the year, and but have incurred cash losses during the year .

ix) In our opinion and according to the information and explanations given to us, except in the case of Holding Company opto Circuits(india) Ltd to the tune of ₹ 9.35 crores due to DBS bank ltd, none of the subsidiaries incorporated in India have defaulted in repayment of their respective dues to bankers..

x) according to the information and explanations given to us the Holding Company has given guarantee for loans taken by its subsidiary company from banks .

xi)In our opinion and according to the information and explanations

given to us the Holding Company and its subsidiary companies incorporated in India have not raised any additional term loan during the period covered under audit.

XII) According to the information and explanations given to the us the Holding Company and its subsidiary companies incorporated in India no instances of material fraud on or by each company has been noticed or reported during the course of audit by the statutory auditors of the Holding Companyand its subsidiary companies incorporated in India

For ANAND AMARNATH & ASSOCIATES

Chartered Accountants

Firm Registration Number: 000121S

B.K. AMARNATH

Partner

Membership Number: 26536

Place: Bengaluru

Date: 1st December, 2015

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2015

Amount in ₹

Sl.No.	Particulars	Note No.	As at 31.03.2015	As at 31.03.2014
I	EQUITY AND LIABILITIES			
1	Shareholder's Funds			
	(a) Share Capital	1	2,423,194,070	2,423,194,070
	(b) Reserves and Surplus	2	17,100,651,919	19,864,777,132
			19,523,845,989	22,287,971,202
2	Minority Interest		190,323,318	196,394,397
3	Non-Current Liabilities			
	(a) Long-term borrowings	3	184,886,569	1,923,584,068
	(b) Long term provisions	5	27,165,752	20,738,964
			212,052,321	1,944,323,032
4	Current Liabilities			
	(a) Short-term borrowings	6	13,539,930,283	11,763,545,394
	(b) Trade payables	7	2,657,310,528	2,743,395,925
	(c) Other current liabilities	8	5,868,598,762	3,975,421,185
	(d) Short-term provisions	9	548,627,369	728,733,553
			22,614,466,943	19,211,096,057
	Total		42,540,688,572	43,639,784,689
II	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	10	3,941,978,923	5,157,487,279
	(ii) Intangible assets		1,390,828,782	1,720,595,550
	(iii) Capital work-in-progress		323,079,227	465,572,106
			5,655,886,932	7,343,654,935
	Goodwill on Consolidation		4,211,399,630	4,211,399,630
	(b) Non-current investments	11	109,000	109,000
	(c) Deferred tax assets (net)	4	735,043,229	707,383,185
	(d) Long term loans and advances	12	834,480	834,480
	(e) Other non-current assets	13	657,487,498	714,558,519
			1,393,474,207	1,422,885,184
2	Current assets			
	(a) Inventories	14	7,499,256,980	7,891,328,404
	(b) Trade receivables	15	18,427,198,724	17,271,041,891
	(c) Cash and Cash Equivalents	16	259,973,624	201,485,661
	(d) Short-term loans and advances	17	4,752,817,013	5,088,728,170
	(e) Other current assets	18	340,681,462	209,260,815
			31,279,927,804	30,661,844,941
	Total		42,540,688,572	43,639,784,689

The accompanying notes are an integral part of the Consolidated Financial Statements

For and on behalf of the Board of DirectorsVINOD RAMNANI
Chairman & Managing DirectorJAYESH PATEL
DirectorPlace: Bengaluru
Date: 1st December, 2015**As per our report of even date**FOR ANAND AMARNATH & ASSOCIATES
Chartered AccountantsB K AMARNATH
PartnerMembership Number: 26536
Firm Registration Number: 0001215

OPTO CIRCUITS (INDIA) LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2015

Amount in ₹

Sl.No.	Particulars	Note No.	For the year ended on	
			31.03.2015	31.03.2014
I.	Revenue from operations	19	11,871,178,611	14,080,078,890
II.	Other Income	20	247,993,356	633,179,282
III.	Total Revenue (I +II)		12,119,171,967	14,713,258,172
IV.	Expenses:			
	Cost of materials consumed	21	6,551,771,954	7,992,659,074
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	(39,148,695)	55,317,685
	Employee benefit expense	23	1,367,966,751	1,585,836,608
	Finance costs	24	1,435,098,851	1,371,419,187
	Depreciation and amortization expense	10	945,527,563	757,013,802
	Other expenses	25	1,597,319,338	1,807,752,182
	Total Expenses		11,858,535,762	13,569,998,538
V.	Profit before exceptional and extraordinary items and tax (III - IV)		260,636,205	1,143,259,634
VI.	Exceptional Items		1,814,000,200	-
VII.	Profit before extraordinary items and tax (V - VI)		(1,553,363,995)	1,143,259,634
VIII.	Extraordinary Items		-	23,116,299
IX.	Profit before tax (VII - VIII)		(1,553,363,995)	1,120,143,334
X.	Tax expense:	26		
	(1) Current tax		15,315,711	224,188,064
	(2) Deferred tax		1,812,637	(4,444,940)
XI.	Profit(Loss) for the period after Tax (IX-X)		(1,570,492,343)	900,400,210
XII.	Share of Minority Interest		(6,746,665)	(9,322,959)
XIII.	Profit/(Loss) for the period (XI - XII)		(1,563,745,678)	909,723,169
XIV.	Earning per equity share:	27		
	(i) Basic		(6.45)	3.75
	(ii) Diluted		(6.45)	3.75

The accompanying notes are an integral part of the Consolidated Financial Statements

For and on behalf of the Board of DirectorsVINOD RAMNANI
Chairman & Managing DirectorJAYESH PATEL
DirectorPlace: Bengaluru
Date: 1st December, 2015**As per our report of even date**FOR ANAND AMARNATH & ASSOCIATES
Chartered AccountantsB K AMARNATH
PartnerMembership Number: 26536
Firm Registration Number: 000121S

CONSOLIDATED CASH FLOW AS ON 31ST MARCH 2015

Amount in ₹

Sl.No.	Particulars	March 31st 2015	March 31st 2014
I	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax & extraordinary items	(1,553,363,995)	1,143,259,635
	Adjustments for non operating items		
	Amortisation and other non cash items	(1,221,292,914)	497,685,578
	Depreciation	945,527,563	757,013,802
	Interest paid on borrowings	1,435,098,851	1,371,419,187
	Interest received on Fixed Deposit	(4,950,193)	(4,754,053)
	Profit / (Loss) Sale of Fixed Assets	(91,496,967)	(87,716,443)
		(490,477,655)	3,676,907,706
	Adjustments for working capital		
	(Increase)/Decrease in inventories	392,071,423	(448,279,516)
	(Increase)/Decrease in loans & advances	261,561,531	787,166,779
	(Increase)/Decrease in sundry debtors	(1,156,156,832)	(1,377,019,463)
	Increase/(Decrease) in current liabilities	(443,954,043)	(2,397,128,891)
	Cash operating profit/(loss) before income tax	(1,436,955,576)	241,646,615
	Income tax	(17,128,348)	(219,743,124)
	Cash flow from operating activities before extraordinary items	(1,454,083,924)	21,903,491
	Extraordinary items	-	(23,116,299)
	Net cash flow from operating activities	(1,454,083,924)	(1,212,808)
II.	CASH FLOW FROM INVESTING ACTIVITIES		
	Dividend Income	-	-
	Interest received on Fixed Deposit	4,950,193	4,754,053
	Goodwill	-	-
	Proceeds from Sale of Fixed Assets	91,496,967	87,716,443
	Change in Minority Interest	(6,071,079)	(9,494,853)
	Proceeds from sale of investments(net)	-	-
	Total inflow of cash from investing activities	90,376,081	82,975,643
	Purchase of Fixed Assets	599,747,561	(170,104,123)
	Payment towards Capital Work in Progress	142,492,879	(21,009,485)
	Product development/approval expenses	-	-
	Net cash flow from investing activities	832,616,521	(108,137,965)

OPTO CIRCUITS (INDIA) LIMITED

CONSOLIDATED CASH FLOW AS ON 31ST MARCH 2015 (CONTD.)

Amount in ₹

Sl.No.	Particulars	March 31st 2015	March 31st 2014
III.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds/(Repayment) of Term Loans	338,669,328	443,232,381
	Proceeds from Issue of Share Capital	-	-
	Proceeds from Issue of Share Capital - Share Premium/Capital Reserve		
	Proceeds from Issue of Share Warrants	-	-
	Share Issue Expenses	-	-
	Proceeds/(Repayment) of Working Capital Loans	1,150,947,677	1,544,200,290
	Proceeds/(Repayment) of Unsecured Loans	625,437,213	(727,425,002)
	Inflow of cash	2,115,054,218	1,260,007,669
	Interest paid on borrowings	(1,435,098,851)	(1,371,419,187)
	Dividend	-	(9,442,000)
	Net cash flow from financing activities	679,955,367	(120,853,518)
	Total increase in cash & cash equivalents during the year	58,487,963	(230,204,291)
	Cash & cash equivalents at the beginning of the year	201,485,661	431,689,955
	Cash & cash equivalents at the end of the year	259,973,624	201,485,664

Note: Figures in brackets represent outflows

For and on behalf of the Board of DirectorsVINOD RAMNANI
Chairman & Managing DirectorJAYESH PATEL
DirectorPlace: Bengaluru
Date: 1st December, 2015**As per our report of even date**FOR ANAND AMARNATH & ASSOCIATES
Chartered AccountantsB K AMARNATH
PartnerMembership Number: 26536
Firm Registration Number: 0001215

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

COMPANY OVERVIEW:

Opto Circuits (India) Limited group is engaged in the manufacture and trading of invasive and non invasive medical equipments. Opto Circuits (India) Limited, parent Company is located in Bengaluru and manufacturing plant in Vishakapatnam.

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF CONSOLIDATION & PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are prepared in accordance with Indian Generally accepted Accounting principles (GAAP) under the historic cost convention on the accrual basis except for some financial instruments which are measured at fair value. GAAP comprises of accounting standards notified under Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The consolidated financial statements include the financial statements of the holding Company, its subsidiaries and the step-down subsidiaries. The consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the Accounting Standard (AS) 21, "Consolidated Financial Statements".

The Consolidated Financial statements have been combined on a line-by-line basis by adding together book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and the un-realized gain/loss. The Consolidated Financial statements have been consolidated applying uniform accounting policies in use at the Group. Minority interests have been excluded. Minority interest represents that part of the net profit or loss and net assets of subsidiaries that are not, directly or indirectly, owned or controlled by the Company.

• Use of Estimates

The preparation of the financial statements is in conformity with GAAP which requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as on the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include computation of percentage-of-completion which requires the Group to estimate the efforts expended to date as a proportion of the total efforts to be expended, provisions for doubtful debts, future obligations under employee retirement benefit plans, income taxes, post-sales customer support and the useful lives of fixed assets and intangible assets.

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the consolidated financial statements.

The management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the net selling price and the value in use which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset, other than goodwill is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss was recognized.

The carrying amount of an asset other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in previous years.

2. REVENUE RECOGNITION

Revenue from sale of products are recognized on dispatch of goods to customers and installation. Such revenue is recorded at net of sales tax/VAT, trade discounts, rebates for price adjustments, rejections and shortage in transit. Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend is recognized as and when the Company's right to receive payment is established. Revenue from service charges is recognized on rendering of the related services in accordance with the terms of the agreement.

3. PROVISIONS AND CONTINGENT LIABILITIES

Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimates can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the Financial statements.

4. FIXED ASSETS INCLUDING GOODWILL, INTANGIBLE ASSETS AND CAPITAL WORK-IN-PROGRESS

Fixed Assets are stated at cost, less accumulated depreciation and impairments, if any. Direct costs are capitalized until fixed assets are ready for use. Capital work-in-progress comprises outstanding advances paid to acquire fixed assets and the cost of fixed assets that are not yet ready for their intended use at the reporting date. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

5. DEPRECIATION AND AMORTIZATION

During the year, the Company has adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013.

Accordingly, in respect of fixed assets acquired during the year, depreciation / amortization is charged on a straight line basis so as to write off the cost of the assets over the useful lives and for the assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life and depreciation on account of assets

whose useful life is already exhausted on April 01, 2014 has been adjusted against opening balance of retained earnings. Intangible assets are amortised over their respective individual estimated economic useful lives on a straight line basis commencing from the date the asset is available to the Group for its use. Leasehold improvements are written off over the lower of the remaining primary period of lease or the life of the asset.

6. LICENSE RIGHTS AND PATENTS

License rights and patents are evaluated for impairment when events or changes in circumstances indicate that the carrying amounts of the assets may not be recoverable through the estimated undiscounted future cash flows resulting from the use of these assets. When any such impairment exists, the related assets will be written down to fair value.

7. PRODUCT WARRANTIES

Estimated costs for product warranties are accrued for and charged to operations, as revenues for the related products are recognized.

8. ACCOUNTS RECEIVABLE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Accounts receivable are customer obligations due under normal trade terms. The Company sells its products to distributors, OEMs, and end users in medical facilities such as hospitals, surgery centers, nursing homes and physician offices. The Company performs the credit evaluation of its customers' financial condition and although does not require a collateral, letters of credit will be required from the customers in certain circumstances.

Management reviews accounts receivable on a monthly basis to determine if any receivables will potentially be uncollectible. The Company includes any accounts receivable balances that are determined to be uncollectible, along with a general reserve, in its overall allowance for doubtful accounts. Based on the information available, the Company believes its allowance for doubtful accounts as of now is adequate. However, actual write-offs might exceed the recorded allowance.

9. INVENTORIES

Cost of inventory is computed on FIFO/Standard cost basis. Valuation of inventories is on the following basis:

Type of Inventory	Method of valuation
Raw Materials including stores and spares	Valued at lower of cost and market value.
Work in Process	Valued at lower of cost and market value Work in Process includes cost incurred up to the stage of completion.
Finished Goods	Valued at lower of cost and market value Finished goods include costs of conversion and costs incurred up to bringing the same to the location or stage of completion.

10. RETIREMENT BENEFITS

The Company's liability towards retirement benefit in the form of Provident fund, Gratuity and Earned Leave encashment are provided for on accrual basis and charged to revenue expenditure. The Company contributes to the Employee Provident Fund under the Employee Provident Fund Scheme of the Central Government. The gratuity liability is provided and charged off as revenue expenditure based on actuarial valuation. The Company has subscribed to the group gratuity scheme policy of LIC of India. All overseas subsidiaries provide for retirement benefits under respective laws and regulations.

11. TAXES ON INCOME

• Income Tax

A Provision is made for Income Tax annually based on the Tax Liability computed after considering Tax allowances and exemptions. Provisions are recorded when it is estimated that the liability due to disallowances of other matters is probable. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income Tax Liability is considered as asset, if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

• MAT Provision

The Company is not charging off MAT on SEZ profit, as the MAT payment is in the nature of advance tax which will be set off against liability arising in future years. The unclaimable MAT amount will be written off as expenditure in the year in which carry forward/adjustment is not permissible.

• Deferred Tax

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying value of the assets and liabilities and their respective tax bases.

Deferred tax asset in the nature of unabsorbed depreciation and losses are recognized only if there is a virtual certainty of realization. Other deferred tax assets are recognized if there is a reasonable certainty of realization. The effect on deferred assets and liabilities of a change in rates is recognized in the income statements in the period of enactment of the change. Deferred tax assets and liabilities are computed on the timing difference at the reporting date between carrying amount of assets and liabilities and their respective tax base. Deferred Tax assets are recognized based on management estimates of available tax liability and assessing its certainty. Under US GAAP, Valuation allowance is made to provide for that portion which is not 'more likely than not' realizable. Also classification as current or non-current is based on the classification of related non-tax assets or liability.

12. FOREIGN CURRENCY TRANSLATIONS

Foreign currency transaction is recorded at the rates of exchange prevailing on the date of transaction. Foreign currency translation on assets & liabilities and realized gains / losses on foreign exchange transactions, other than those relating to fixed assets are recognized in the profit and loss account. Exchange difference arising on liabilities incurred for the purpose of acquiring fixed assets are adjusted in the carrying value of the respective fixed assets.

While translating the financial statements of non integral foreign subsidiaries the exchange difference arising on translation of assets / liabilities and income / expenses is disclosed as foreign currency translation reserve.

The Goodwill/Capital reserve arising out of acquisition of subsidiaries are stated at closing rate and difference in translation are disclosed in foreign currency translation reserve. Monetary assets and liabilities and loans denominated in foreign currency as at Balance sheet date are converted at the exchange rate prevailing on such date. Non-monetary

item are carried at historical cost. Items of income and expense are converted at average exchange rate.

13. GOODWILL ON CONSOLIDATION

Goodwill comprise the excess of purchase consideration over the book value of net assets of the acquired enterprise. Goodwill arising on consolidation is stated at cost and any impairment is recognized wherever applicable.

14. RESEARCH & DEVELOPMENT

Research and development costs, including technical know-how fees, incurred for development of products are expensed as and when incurred, except for development costs which relate to the design and testing of new or improved materials, products or processes which are recognized as an intangible asset to the extent that it is expected that such assets will generate future economic benefits. Research and Development expenditure of a capital nature are shown as intangible assets and any expenditure is carried forward and amortized over the estimated useful life of assets.

15. INVESTMENTS

Investments other than investments in associates are valued at cost.

16. EARNINGS PER SHARE

The basic & diluted earnings per share is calculated proportionately on the outstanding equity shares.

17. LEASES

Leases that do not transfer substantially all of the risks and rewards of ownership are classified as operating leases and recorded as expenses as and when payments are made over the lease term.

For and on behalf of the Board of Directors

VINOD RAMNANI
Chairman & Managing Director

JAYESH PATEL
Director

Place: Bengaluru
Date: 1st December, 2015

As per our report of even date

FOR ANAND AMARNATH & ASSOCIATES
Chartered Accountants

B K AMARNATH
Partner

Membership Number: 26536
Firm Registration Number: 000121S

CONSOLIDATED NOTES TO ACCOUNTS

NOTE 1 – SHARE CAPITAL

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Authorized:		
375,000,000 (PY 300,000,000) equity shares of ₹ 10 each	3,750,000,000	3,000,000,000
	3,750,000,000	3,000,000,000
Issued:		
242,581,307 Equity Shares of ₹ 10/- each (P.Y. 242,581,307 Equity Shares of ₹ 10/- each)	2,425,813,070	2,425,813,070
	2,425,813,070	2,425,813,070
Subscribed and Paid up:		
242,319,407 Equity Shares of ₹ 10/- each (P.Y. 242,319,407 Equity Shares of ₹ 10/- each)	2,423,194,070	2,423,194,070
Total	2,423,194,070	2,423,194,070

1. OUT OF THE ABOVE:

a) 242,319,407 Equity Shares (PY 242,319,407) of ₹ 10/- each fully paid-up allotted otherwise than for cash which includes Bonus shares of 1,22,677,123 allotted during the year 2011-12.

b) 1,164,620 Equity Shares of ₹ 10/- Each fully paid up on a Preferential basis during the year 2011-12.

2. During the year the authorized share capital of the company was increased to 375,000,000 Equity Shares of ₹ 10/- each.

A. RECONCILIATION OF THE NO. OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR

Particulars	As at 31.03.2015 No. of shares	As at 31.03.2014 No. of shares
No of shares outstanding at the beginning of the year	242,319,407	242,319,407
Add: Shares issued during the reporting period	-	-
Add: Issue of shares by conversion of share warrants	-	-
No of shares outstanding at the end of the year	242,319,407	242,319,407

ANNEXURE 1

Number of shares held by each shareholder holding more than 5% shares in the company are as follows:

Particulars	As on 31.03.2015		As on 31.03.2014	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Equity Shares:				
(1) Vinod Parasram Ramnani	34,043,581	14.05%	34,043,581	14.04%
(2) HSBC Global Investment Funds A/c HSBC Global Investment Funds	16,592,408	6.85%	16,592,408	6.85%
(3) Genesis Indian Investment Company - General Sub Fund	-	-	13,530,601	5.58%
(4) Thomas Dietiker	13,076,150	5.40%	13,076,150	5.40%
	as on 31.03.2015		as on 31.03.2014	
	No. of Shares		No. of Shares	
Equity Shares allotted as fully paid bonus shares during the last five years	56,486,863		56,756,863	

NOTES:

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting

During the year ended 31st March 2015, the amount of share dividend recognised distributed to equity shareholders was ₹ NIL (31st March 2014: NIL)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

OPTO CIRCUITS (INDIA) LIMITED

NOTE 2 - RESERVES AND SURPLUS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Capital Reserves:		
As per last Balance Sheet	-	-
Additions during the year	-	-
Less: Transfer to Bonus share		
Securities Premium Account:		
As per last Balance Sheet	4,344,718,356	4,344,718,356
Additions on shares issued during the year	-	-
Less: Bonus Issue of Shares	-	-
	4,344,718,356	4,344,718,356
General Reserve:		
As per last Balance Sheet	1,270,342,775	1,270,342,775
Add: Transfer from Profit & Loss Account	-	-
	1,270,342,775	1,270,342,775
Foreign Currency Translation Reserve		
As per last Balance Sheet	1,773,503,492	1,214,518,163
Add: Adjustment for translation of Non Integral Foreign Operations	(1,101,999,408)	558,985,329
	671,504,084	1,773,503,492
Surplus:		
As per last Balance Sheet	12,476,212,511	11,566,489,341
Net Surplus	12,476,212,511	11,566,489,341
Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Less: Appropriations due to change in method of depreciation	98,380,129	-
	12,377,832,382	11,566,489,341
Add: Profit/(Loss) for the period	(1,563,745,678)	909,723,169
Less: Appropriations		
Bonus shares	-	-
Transfer to reserves	-	-
	10,814,086,704	12,476,212,510
Total	17,100,651,919	19,864,777,132

NOTE: During the year, the Company has adopted estimated useful life of fixed assets as stipulated by Schedule II to the Companies Act, 2013. Accordingly, depreciation of ₹ 98,380,129 on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against opening balance of retained earnings.

NOTE 3 - LONG TERM BORROWINGS

Particulars	As at 31.03.2015	As at 31.03.2014
Term Loans		
- from Banks		
Secured	150,531,379	1,848,909,000
Unsecured	911,330	1,574,030
	151,442,709	1,850,483,030
- from other parties		
Secured	-	-
Unsecured	1,476,000	22,438,788
	1,476,000	22,438,788

NOTE 3 – LONG TERM BORROWINGS (CONTD.)

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Loans and Advances from related parties		
Secured	-	-
Unsecured	1,800,000	1,800,000
	1,800,000	1,800,000
Long term maturities of finance lease obligations		
Secured	30,067,860	48,862,250
Unsecured	-	-
	30,067,860	48,862,250
Other loans and advances		
Secured	-	-
Unsecured	100,000	-
	100,000	-
Total	184,886,569	1,923,584,068

NOTE 3A

Opto Circuits India Limited Term loans

1) In March 2009, Opto Circuits India Limited had borrowed US\$ 7,000,000 from DBS Bank Limited. The interest rate was fixed @ 6.60% P.A. and is secured by specified movable fixed assets. The loan is repayable in 8 half yearly installment of US\$ 777,700 and one final balance installment of US\$ 778,400. The first installment was on March 2010 and final installment was slated for March 2014. As on 31st March 2015 the last 2 installment is still unpaid .

2) During January 2014, the company has borrowed INR 7,75,00,000 from HDFC Bank Limited. The interest rate is fixed @ 14% P.A and is secured by Specified movable Fixed Assets. The loan is repayable in 8 quarterly installments of ₹ 96,87,500 each. The first installment is slated for April 2015 and the final installment is on January 2017,

Opto Cardiac Care Ltd and its subsidiaries Term loans

(i) Cardiac Science Corporation had loan of ₹ 22,960.66 lacs (\$36.68 million) with DBS Bank Ltd. The outstanding loan balance as of March 31, 2015 was ₹ 20,365.69 Lacs (\$32.54 million). Interest on borrowings is based on Libor plus 4% p.a. The loan is secured by pledging the shares of Cardiac Science Corporation USA, Hypothecation of Assets (movable and immovable) and Corporate guarantee given by Opto Circuits India Ltd.

(ii) Opto Cardiac Care Ltd has a loan of ₹ 18,777.24 lacs (\$30 million). The outstanding loan balance as of March 31, 2015 was ₹ 16,211.02 Lacs (\$25.90 million). Interest on borrowings is based on Libor plus 4% p.a. The loan is secured by pledging the shares of Cardiac Science Corporation USA, Hypothecation of Assets (movable and immovable) and Corporate guarantee

given by Opto Circuits India Ltd.

(iii) Cardiac Science Corporation has obtained ₹ 9,388.62 Lacs (\$15 million) loan from HDFC Bank. The outstanding balance as on 31st March 2015 is ₹ 3,921.17 Lacs (\$ 6.26 million). Interest rate:- 3 months LIBOR plus 350 bps This loan is secured by paripasu charge on Cardiac Science Corporation Current assets including Inventory, Debtors, Fixed assets including Plant equipment and Intangible assets. The company has not paid the installment of ₹ 3,921.17 Lacs (\$6.26 million)

(iv) Criticare System Inc, has obtained loan from Waukesha Bank USA by pledging its manufacturing Plant and Office Building. Equated Monthly Instalments is ₹ 6.59 Lac (\$10,522) till July 2014 and final balloon payment of all outstanding principal and interest was made in August 2014. Interest rate is 5.25% PA. The loan outstanding as on 31st March 2015 is NIL.

(v) Unetixs had a line of credit agreement with the bank for providing maximum borrowings of upto \$ 1 million based on a percentage of eligible accounts receivable. Interest was payable at bank's prime rate i.e. 3.25%. On July 31, 2013, this loan was converted into term loan with interest accruing 7% PA. The loan was fully paid in October 2014 and the amount outstanding as on 31.03.2015 is NIL.

OPTO CIRCUITS (INDIA) LIMITED

Opto Eurocor Healthcare Ltd and its subsidiaries TermLoans

(i) Eurocor Asia Sdn Bhd., a subsidiary of OEHL group has a loan of ₹ 1,207.55 Lacs (MYR 6.58 million) which is secured by a first fixed charge over the company's property, plant and equipment and bills receivables and guaranteed by ultimate holding company, Opto Circuits (India) Ltd. and repayment over 36 months. Repayment is made in 8 equal quarterly installment commencing from May 2013. Interest at 5.5% PA is charged. The loan outstanding as on 31.03.2015 is ₹ 1,117.81 Lacs (MYR 6.65 million)

(ii) The Long term maturities of finance lease obligations of ₹ 300.68 Lacs (MYR 1.79 million) represent the lease facilities granted by CIMB to Eurocor Asia, in relation to its Plant & Equipment which was acquired by hire purchase. The company has substantially assumed all the benefits and risk of ownership.

Term Loans from Others: Interest free unsecured loans taken from others are repayable on longterm basis.

NOTE 4 - BREAKUP OF DEFERRED TAX ASSETS (LIABILITY) AT THE END OF YEAR

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Net operating loss carried forward	3,409,031,189	4,770,914,112
Depreciation/Amortization	(1,589,729)	(1,339,598)
Income tax credits	578,533,027	588,317,685
Others (net of all taxable and deductible timing differences including provisions/expenditure allowable under warranties, trade receivable, inventory etc)	991,640,002	397,531,389
Deferred Tax Assets	4,977,614,490	5,755,423,588
Valuation Allowance	4,242,571,261	5,048,040,404
(iii) Deferred tax asset/(liability) net:	735,043,229	707,383,185

Deferred tax is recognised on timing differences between the accounting income and the taxable income for the current year and is quantified using the tax rates prevailing for the current period. For the SEZ unit, deferred tax assets has not been recognised as there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available for such deferred tax asset to be set off. Tax expenses towards deferred tax liability do not arise for SEZ unit as income is covered under section 10AA of the Income Tax Act, 1961. Deferred tax assets are recognised and carried forward to the extent that there is a reasonable / virtual certainty that sufficient future taxable income will be available against which such deferred tax asset can be realised. The effect on deferred tax assets and liabilities resulting from change in tax rates is recognized in the income statement in the period of enactment of the change.

Opto cardiac care Group recognises deferred tax assets on carry forward losses in subsidiaries after assessing the availability of the same towards set-off against future taxable income. Relevant valuation allowances are recorded against such deferred tax assets after evaluating the expected realisation of such deferred tax assets. The Group offsets deferred tax assets and liabilities where there is a legally enforceable right and where the taxes are governed by the same tax laws/authority.

NOTE 5 - LONG- TERM PROVISIONS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Provision for Leave Encashment	1,170,985	1,064,843
Provision for Warranty	22,331,541	16,010,895
Other Provisions	3,663,226	3,663,226
Total	27,165,752	20,738,964

5 (a). In Criticare system, subsidiary of Opto Cardiac Care Limited, the warranty costs are accrued at the time of sale of products. The provision are made based on past experience, which is discharged over the warranty period of 18 months from the date of sale.

NOTE 5 – LONG- TERM PROVISIONS (CONTD.)

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Warranty liability, beginning of the period	16,010,895	23,117,000
Warranties issued	15,657,151	14,242,832
Settlements	(10,000,132)	(15,474,505)
Changes in pre-existing warranties	-	4,865,790
Difference in Exchange rate fluctuations	663,627	(10,740,222)
Warranty liability, end of the period	22,331,541	16,010,895

5 (b). Other Provisions contain provision for impending loss, contract completion accruals etc.

NOTE 6 - SHORT TERM BORROWINGS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Loans repayable on demand		
From Banks		
Secured	12,048,807,019	10,896,640,664
Unsecured	213,378	1,432,056
	12,049,020,397	10,898,072,720
From other parties		
Secured	-	-
Unsecured	1,277,129,255	637,321,861
	1,277,129,255	637,321,861
Loans and Advances from related parties		
Secured	-	-
Unsecured	166,459,608	188,972,299
	166,459,608	188,972,299
Other loans and advances		
Secured	1,000,000	-
Unsecured	46,321,023	39,178,514
	47,321,023	39,178,514
Total	13,539,930,283	11,763,545,394

6.1 Opto Circuits (India) Ltd working capital borrowings

6.1.a) The company has working capital facilities with State Bank of India by way of hypothecation of Opto Circuits India Ltd's present and future movable fixed assets and current assets like stocks, raw materials, semi finished and finished goods, book debts, receivables, outstanding monies, bills, rights, stores, components, furniture and fittings; other movables, plant and machinery, vehicles and assets to be purchased out of bank finance, Pari Passu First Charge on the assets of the company. Equitable Mortgage on all the piece and parcel of land known as Sy. No.62 part within the village limits of Doddathogur, Begur Hobli, Bangalore District containing by admeasuring 1.50 acre.

6.1.b) The company has obtained loans from DBS Bank Limited by hypothecation on the whole of the present and future stocks of raw materials, work in process, finished goods, semi finished goods, book debts, outstanding monies receivables, claims, bills, contracts, engagements, securities, investments, rights and assets belonging to the company by way of first charge.

6.1.c) The company has working capital facilities with Indusind Bank Limited. These facilities are repayable on demand and secured by pari-passu charge on Stocks and Book Debts of the Company.

6.1.d) The Company has working capital facilities with Standard Chartered Bank by hypothecation of the whole of the present and future stocks of raw materials, work in process and finished goods, book debts, outstanding monies, receivables, claims, bills, etc belonging to the company by way of pari-passu charge. The company has also given the additional security of immovable property to its step down subsidiary belonging to Opto Infrastructure Ltd. M/s. Altron Hotels Private Limited comprising of all that piece and parcel of land measuring 0.90 Acres (3682.61 Sqmts) bearing V.P Khata No. 309, from out of land bearing Plot No. 24, Sy.No.14 of Konapaana Agrahara, Begur Hobli, Bangalore South Taluk 560100 together with buildings and structures standing thereon with all easement right, common right ingress and egress thereon.

6.1.e) Company has working facilities with Yes Bank Limited by hypothecation of Pari Passu charge on Current Assets of the borrower to cover loan amount plus costs, expenses, interest and other incidentals. Hypothecation of the whole of the Current Assets of raw material, semi finished & finished goods, stores and spares including consumable stores and spares relating to plant and machinery and other movables both present and future stored at Plot No.83, Electronics city, Bangalore South or wherever else in India and bills receivables and Book debts belonging to the Company.

- 6.1.f) Company has working capital facilities with The Bank of Nova Scotia by hypothecation of the whole of the present and future stocks of raw materials, work in process and finished goods, book debts, outstanding monies, receivables, claims, bills, etc belonging to the company by way of paripassu charge. The company has also given the security of immovable property of its Subsidiary Opto Infrastructure Limited comprising on all that piece and parcel of land known as Plot No's 2A1, 2A2, 2A3, 2A3(P3), 2B1, 2B2, 2C1, 2C2, 3,4,5,6,7,8,9 and 10 in survey numbers in the Hassan Sector Specific Hard Ware Zone Industrial area within the limits of villages Doddabasavanahalli and Chikkabasavanahalli, shantigrama Hobli, Hassan Taluk, Hassan dist. Measuring a total extent of 250 acres.
- 6.1 g) The short term secured borrowings of ₹ 83,268.07 Lacs includes Cash credit facility of ₹ 18,051.47 Lacs with interest rate in the range of 10% p.a to 13% p.a, Preshipment Credit in Foreign Currency and bill discounting/Postshipment credit in Foreign currency facility of ₹ 18,398.17 Lacs with interest rate in the range of 6% p.a to 10% p.a ,Overdraft of ₹ 46,818.42 Lacs with interest rate of 8 to19.5%.
- 6.1 h) The short term interest free unsecured loans includes Loans from the Directors of the Company and from the Subsidiaries directors. The company has also borrowed ₹ 280.00 Lacs from the private finance with the interest rate of 15% to 24% which are repayable on short term basis
- 6.1 i) Scotia bank has issued a winding up notice dated 06 March 2014 for recovery of outstanding dues of ₹ 119.00 Lacs. The Managment is making efforts to negotiate and settle with said bank for a longer repayment term. If the Bank does not agree, the managment will realise the debtors and will settle the account with said bank.
- 6.1 j) DBS Bank Limited, State Bank India has suspended charging the interest for the year ending 31st March 2015. However the company has provided for the interest in the books of accounts.

OEHL and its subsidiaries group working capital borrowings

- 6.2 a). Eurocor GmbH has obtained a working capital facility from Commertz Bank amounting to ₹ 5054.07 lacs (Euro 7.49 Million)secured against accounts receivable and Inventories at an Interest rate of 5.5 %.PA. Opto Circuits (India) Ltd has extended a Corporate Guarantee in this regard.
- 6.2 b). Amount due from a related company and others are unsecured and without fixed terms of repayment.
- 6.2 c). Eurocor Asia has obtained bank facilities from Standard Chartered Bank of ₹ 4,471.69 lacs (MYR 26.58 million) secured by a first fixed charge over the company's property, plant and equipment and bills receivables and guaranteed by ultimate holding company, Opto Circuits (India) Ltd. The effective interest rates range from 5.5% to 6.5% per annum. Interest on the same accounted is ₹ 295.57 lacs (MYR 1.76 million).
- 6.2 d). Eurocor Asia has obtained a Foreign Currency Trade Loan (FCTL) from CIMB amounting to ₹ 1,290.36 lacs (MYR 7.67 million).

OCCL and its subsidiaries group working capital borrowings

- "6.3 a). Criticare Systems Inc. had obtained a working capital borrowing from Waukesha State Bank. The Company had a ₹ 1251.82 Lac (\$2 million) line of credit that was converted to a business note payable in August 2013.The outstanding amount as of March 31, 2014 was ₹ 578.60 Lac (\$962,725). The loan required 59 equal payments of ₹ 14.35 Lac (\$23,871) consisting of principal and interest starting from September 2013 through August 2018. Borrowings under the note were limited to a borrowing base of qualified accounts receivable. The note bore interest at a fixed rate of 7.00% and was collateralized by a general business security agreement. During the year ended March 31, 2015, the note was paid off in full and there is no longer a line of credit available.
- 6.3 b). Cardiac Science Corporation entered into a credit agreement with US Bank with a maturity date of 3rd September, 2015. The credit line of ₹ 6,259.08 Lacs (\$10 million) is covered by standby letter of credit issued by ICICI Bank. As of March 31,2015, the Company had an outstanding balance of ₹ 5,952.72 Lacs (\$ 9.51 million). Interest on borrowings is annual average rate equal to 1.78% plus the one-month LIBOR.
- 6.3 c). Cardiac Science has also taken a loan from DBS Bank for an amt of ₹ 13,506.37 Lacs (\$ 21.58 million) in principal on short term credit facility. This loan bears interest at LIBOR plus 4% with stated maturity dates rolled over every 30 days through April 15, 2016. This facility requires nine ₹ 625.91 Lacs (\$1 million) principal paydowns on a monthly basis, which reduces the maximum commitment amount available to the company, beginning July 14, 2015.
- 6.3 d). Opto Cardiac Care Ltd has Preshipment Credit in Foreign Currency and Bill Discounting/Post shipment credit in Foreign Currency facility of ₹ 6,319.40 Lacs (\$10.1 million) with interest rate in the range of 7% to 8% pa. This facility is secured on Opto Cardiac Care Ltd `s Inventory and Debtors. This facility is in co-terminus with limits sanctioned to Opto Circuits India Ltd.

- 6.4 Other Loans and advances includes interest free unsecured advances received from other corporates/Directors on shortterm.

NOTE 7 - TRADE PAYABLES

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Trade payables	2,657,310,528	2,743,395,925
Total	2,657,310,528	2,743,395,925

NOTE 8 - OTHER CURRENT LIABILITIES

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Current maturities of long-term debt (refer note 3a)	4,186,688,310	2,109,321,483
Advance from Customers	361,918,256	371,919,426
Unpaid dividends	3,112,165	3,112,165
Unclaimed dividends	7,844,469	8,784,614
Statutory Dues Payables	602,207,302	673,336,686
Sundry Creditors for Capital goods	4,406,555	8,907,482
Sundry Creditors for Expenses	702,421,705	800,039,330
Total	5,868,598,762	3,975,421,185

Statutory dues payable includes provident fund, employees state insurance, professional tax, withholding taxes and other indirect taxes.

There are no amounts due for payment to the Investor Education and Protection Fund u/s 125 (2) (c) of the Companies Act, 2013.

NOTE 9 - SHORT-TERM PROVISIONS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Income Tax provision less payments	264,021,961	430,071,313
Provision for Leave Encashment	7,996,832	7,817,977
Provision for Gratuity	2,675,215	5,698,498
Provision for Warranty	221,100,374	203,275,190
Provisions for AED Field Updates	15,282,951	36,059,880
Other provisions	37,550,037	45,810,696
Total	548,627,369	728,733,553

9(a). In Cardiac Science Corporation, subsidiary of Opto Cardiac Care Limited, warranty costs are accrued at the time of sale of products. The Company's estimates are based on its warranty claims history and its cost to perform warranty service.

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Warranty liability, beginning of the period	203,275,190	214,709,045
Charged to product cost of revenues, net	55,002,637	61,446,637
Warranty expenditures	(33,368,345)	(42,535,994)
Warranty Liability transferred to purchaser of Cardiac Monitor division	-	(52,887,859)
Difference in Exchange rate fluctuations	(3,809,109)	22,543,362
Warranty liability, end of the period	221,100,374	203,275,190

9(b). Provision for voluntary field corrective action liability of AED's

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Beginning of the Period	36,059,880	176,896,472
Reserve	(19,221,447)	(142,249,270)
Expenditure	(3,050,112)	(16,947,242)
Difference in Exchange rate fluctuations	1,494,630	18,359,920
End of the Period	15,282,951	36,059,880

The costs of these voluntary corrective actions are estimates. The Company believes its remaining accrued corrective action liabilities will be sufficient to fund the remaining expected costs of these matters.

9(c) Other Provisions contains provision for impending loss, contract completion accruals etc.

NOTE 10 - CONSOLIDATED FIXED ASSETS

Amount in ₹

Particulars	Cost				Depreciation / Amortization						Net Block	
	As at 01.04.2014	Additions during the year	Deductions during the year	Adjustments	As at 31.03.2015	As on 01.04.2014	For the year	On Deductions	Adjustments	Upto 31.03.2015	As on 31.03.2015	As at 31.03.2014
TANGIBLE ASSETS												
Land	519,464,200	-	(21,665,996)	(396,108,365)	101,689,839	1,406,253	-	-	-	1,406,253	100,283,586	518,057,947
Leasehold Premises	192,421,879	3,559,789	(36,757,531)	7,307,836	166,531,973	130,378,127	13,112,775	(14,879,606)	5,242,629	133,853,925	32,678,048	62,043,752
Borewell	73,655	-	-	-	73,655	-	-	-	-	-	73,655	73,655
Buildings	496,018,698	-	(143,071,209)	(99,774,067)	253,173,421	70,660,328	10,580,483	(18,480,083)	860,481	63,621,209	189,552,212	425,358,369
Apartments	12,685,605	-	-	-	12,685,605	4,436,307	423,700	-	-	4,860,007	7,825,598	8,249,298
Office Buildings	4,347,218	-	-	-	4,347,218	1,634,374	145,197	-	1,714,589	3,494,160	853,058	2,712,844
GH Furniture & Fixture	657,328	-	-	-	657,328	160,086	65,647	-	225,657	451,390	205,938	497,242
Plant & Equipment	5,010,698,191	70,915,665	(108,784,563)	78,766,220	5,051,595,512	1,236,317,468	401,472,356	(84,239,795)	106,776,390	1,660,326,418	3,391,269,094	3,774,380,723
Furniture & Fixtures	240,709,106	1,470,186	(7,805,980)	3,408,971	237,782,284	163,884,455	17,216,375	(6,463,540)	10,994,399	185,631,689	52,150,594	76,824,650
Computers	549,246,650	4,727,341	(3,447,366)	9,163,286	559,689,910	450,708,696	62,594,460	(3,376,639)	23,658,654	533,585,171	26,104,740	98,537,954
Electrical Installation	307,669,135	15,731,396	-	(4,070,549)	319,329,981	175,198,377	30,345,824	-	(2,914,231)	202,629,970	116,700,011	132,470,758
Vehicles	86,795,162	389,438	(20,903,615)	566,922	66,847,907	68,375,190	4,562,368	(18,911,152)	3,608,088	57,634,494	9,213,413	18,419,973
Office Equipment	125,857,775	894,608	(31,270,506)	1,807,003	97,288,880	96,832,422	7,458,987	(27,667,773)	6,691,550	83,315,185	13,973,695	28,522,839
Overseas Assets	34,910,602	-	-	1,446,500	36,357,102	23,573,326	10,499,489	-	1,189,006	35,261,821	1,095,281	11,337,276
					-	-				-	-	-
Total	7,581,555,203	97,688,422	(373,706,766)	(397,486,243)	6,908,050,615	2,423,565,409	558,477,661	(174,018,589)	158,047,211	2,966,071,692	3,941,978,923	5,157,487,279
Previous year	7,261,107,429	1,035,673,862	(1,099,682,548)	384,456,460	7,581,555,202	2,081,713,660	471,502,048	(319,889,601)	190,741,817	2,424,067,924	5,157,487,278	5,179,393,769
INTANGIBLE ASSETS												
(Other than internally generated)							-					
Goodwill	6,000,000	-	-	-	6,000,000	-	-	-	-	-	6,000,000	6,000,000
Brands/ trademarks	705,438,844	-	(1,412,700)	29,238,885	733,265,029	-	-	-	-	-	733,265,029	705,438,844
Computer Software	39,833,525	-	-	199,667	40,033,192	35,462,447	263,478	-	23,803	35,749,728	4,283,464	4,371,078
Copyrights, Patents, IPR	510,774,782	-	-	21,170,453	531,945,235	295,514,636	38,634,337	-	13,032,806	347,181,780	184,763,455	215,260,146
Recipes, formulae, models, designs and prototypes	2,892,149,195	-	-	(147,715,385)	2,744,433,811	2,102,649,556	348,125,708	-	(168,858,288)	2,281,916,976	462,516,834	789,499,639
Licenses and franchise	-	-	-	-	-	-	-	-	-	-	-	-
Customer Relationship	1,200,794,004	-	-	49,770,180	1,250,564,184	1,200,768,161	26,378	-	49,769,644	1,250,564,184	-	25,843
Total	5,354,990,350	-	(1,412,700)	(47,336,200)	5,306,241,450	3,634,394,800	387,049,902	-	(106,032,034)	3,915,412,668	1,390,828,782	1,720,595,550
Previous year	4,957,746,473	5,463,733	(207,617,971)	599,398,115	5,354,990,350	2,952,083,023	285,511,754		396,800,023	3,634,394,800	1,720,595,550	2,005,663,450
Capital WIP	465,572,106	(137,927,897)	750,000	(5,314,982)	323,079,227					-	323,079,227	465,572,106

Depreciation of ₹ 98,380,129 on account of assets whose useful life is already exhausted on April 01, 2014 has been adjusted against opening balance of retained

earnings pursuant to adoption of estimated useful life of fixed assets as stipulated by Schedule II of Companies Act, 2013.

NOTE 11 - NON CURRENT INVESTMENTS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Non CURRENT INVESTMENTS Unquoted		
(Trade/Non-trade)		
Investments in Equity Shares (Quoted)		
Investments in Equity Shares	-	-
Centum Electronics Ltd (Quoted) 233 Shares	7,000	7,000
Microland Ltd (Unquoted) 10 Shares	102,000	102,000
Total	109,000	109,000

Aggregate cost of Quoted Investments ₹ 7000 Market value ₹ 12,000 (P.Y. 22,205) as on 31st March 2015 or as on last Quoted date. Unquoted Investment ₹ 1,02,000 market value as certified by the directors.

NOTE 12 - LONG TERM LOANS AND ADVANCES

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Taxes paid in advance less provisions	834,480	834,480
Total	834,480	834,480

NOTE 13 -OTHER NON CURRENT ASSETS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
a) Deposits with more than 12 months maturity	76,189,520	73,754,746
b) Miscellaneous Expenses* (to the extent not written-off/adjusted)	8,504,445	10,907,573
c) Other Loans and Advances	12,812,000	43,678,905
d) Advance towards Capial Goods	538,727,527	566,967,894
e) Taxes paid in advance less provisions	21,254,007	19,249,401
Total	657,487,498	714,558,519

13(a) *Opto Cardiac Care Limited has incurred Preliminary expenses which will be written off 1/10th every year and Product development Expenses will be written of 1/5th every year. Balance amount not written off is shown as Miscellaneous expenditure

NOTE 14 - INVENTORIES

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
(At lower of cost and net realisable value)		
Raw materials	5,377,907,815	6,367,527,236
Work - in - Progress	1,576,011,336	1,192,162,304
Finished Goods	501,168,957	265,586,989
Others (specify nature)	44,168,872	66,051,875
Total	7,499,256,980	7,891,328,404

OPTO CIRCUITS (INDIA) LIMITED

NOTE 15 -TRADE RECEIVABLES

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
(Unsecured, considered good unless otherwise stated)		
1) Debts due for a period exceeding six months		
Considered Good	13,972,448,378	7,059,156,426
Considered Doubtful	-	-
	13,972,448,378	7,059,156,426
2) Other Debts:		
Considered Good	4,455,412,897	10,212,548,018
Considered Doubtful	-	-
	4,455,412,897	10,212,548,018
Less: Provision for Doubtful Debts	662,552	662,552
Total	18,427,198,724	17,271,041,891

NOTE 16 - CASH AND CASH EQUIVALENTS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Balances with banks in -		
Margin Money	5,209,873	20,148,278
Earmarked balances	17,125,585	5,657,100
Current Accounts	235,847,139	173,637,103
	258,182,597	199,442,481
Cash on hand	1,791,027	2,043,179
Total	259,973,624	201,485,661

Cardiac Science corporation, which is the stepdown subsidiary of Opto Circuits India Ltd has other Committments including Restricted cash deposits ₹ 125.48 Lac (\$205,269) which is held for an irrevocable standby letter of credit for computer leasing program, CD for credit card purchase program, security deposit, Security coverage for one month's interest against the bank credit limit and deposit into the general account. All these are treated as Cash and Cash Equivalents.

NOTE 17 - SHORT TERM LOANS AND ADVANCES

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
(Unsecured, considered good unless otherwise stated)		
Loans and Advances to related parties		
Considered Good	-	-
Considered Doubtful	-	-
	-	-
Less: Provision for Doubtful Advances and Loans	-	-
	-	-
Staff advance	5,169,430	2,542,351
Others Advances	71,333,737	111,207,725
Advances to suppliers & services	4,250,495,075	4,448,327,855
Advances to Capital Goods	6,043,171	13,995,110
	4,333,041,412	4,576,073,041
Less: Provision for Doubtful Advances and Loans	-	-
	4,333,041,412	4,576,073,041
Taxes paid in advance less provisions (current tax)	416,210,474	509,229,653
Tax paid in advance less provision (fringe benefit tax)	-	-
Balances with Central Excise, Customs, Port trust, etc.	3,565,128	3,425,476
Total	4,752,817,013	5,088,728,170

17(a). Advances to Supplier and services are given in the normal course of business operations

17(b). Other advances consists of advances towards purchase of land in Mysore, contractors payment etc.

NOTE 18 - OTHER CURRENT ASSETS

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Deposits (3 months to 12 months maturity)	4,108,501	3,129,108
Prepaid Expenses	336,572,961	206,131,707
Total	340,681,462	209,260,815

NOTE 19 - REVENUE FROM OPERATIONS

Amount in ₹

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Products	11,236,699,569	13,635,414,316
Services	631,269,778	439,797,255
Other operating revenues	3,209,264	4,867,318
Total	11,871,178,611	14,080,078,890

NOTE 20 - OTHER INCOME

Amount in ₹

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Interest income received from Bank	4,950,193	4,754,053
Dividend income	-	74,638
Net gain on sale of assets	91,496,967	87,960,542
Net gain on foreign currency transaction and translation	104,136,126	476,131,295
Sundry provisions and credit balances no longer required	1,854,362	192,894
Other non-operating income*	45,555,707	64,065,860
Total	247,993,356	633,179,282

*Other non-operating Income consist of Rebate, Refund, insurance compensation received.

NOTE 21 - COST OF MATERIALS CONSUMED

Amount in ₹

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Opening stock	6,367,527,236	5,873,342,029
Add: Purchases	6,136,196,351	7,341,136,073
Less: Closing stock	5,377,907,815	6,367,527,236
Cost of material consumed*	7,125,815,772	6,846,950,867

* Cost of material consumed excludes other manufacturing expenses and includes exceptional item as explained further in detail in note no.32.

NOTE 22 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Amount in ₹

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Inventories at the end of the year:		
Finished goods	501,168,957	265,586,988
Work-in-progress	995,264,796	1,191,698,070
Stock-in-trade	-	-
	1,496,433,753	1,457,285,058
Inventories at the beginning of the year:		
Finished goods	265,586,988	280,336,449
Work-in-progress	1,191,698,070	1,232,266,294
Stock-in-trade	-	-
	1,457,285,058	1,512,602,743
Net (increase) / decrease	(39,148,695)	55,317,685

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NOTE 23 - EMPLOYEE BENEFIT EXPENSE

Amount in ₹

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Salaries and wages	1,207,705,851	1,308,745,801
Contribution to provident and other funds	29,451,466	67,629,615
Staff welfare expenses	130,809,434	209,461,192
Total	1,367,966,751	1,585,836,608

NOTE 24 - FINANCE COSTS

Amount in ₹

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Interest expense	1,266,227,807	1,227,644,400
Other borrowing costs	95,905,065	81,316,667
Bank Charges	72,965,979	62,458,120
Net gain/(loss) on foreign currency transactions & translation	-	-
Total	1,435,098,851	1,371,419,187

NOTE 25 - OTHER EXPENSE

Amount in ₹

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
MANUFACTURING AND OPERATING COST		
Consumption of stores and spare parts	3,296,226	7,143,570
Customs Duty & Supervision Charges	612,196	852,394
Freight, Handling, Octroi and Others	64,795,771	59,003,585
Insurance	63,138,129	62,025,884
Labour Charges & Job Work	522,214,679	483,947,089
Power & Fuel	15,292,672	20,144,138
Production Supplies	6,855,481	15,328,797
R&D, Product Development Expenses	489,372,387	416,895,345
Repairs & Maintenance - Building	11,362,511	18,282,650
Repairs & Maintenance - Electricals & Others	39,097,774	42,896,750
Repairs & Maintenance - Plant & Machinery	6,268,633	5,890,682
Service Charges	577,249	3,931,146
Spares - materials	10,883,581	3,753,887
Tooling Charges	6,189,093	5,612,290
Warranty Purchases	-	-
Total A	1,239,956,382	1,145,708,207
ADMINISTRATIVE EXPENSES		
Audit Fee	19,111,872	24,158,016
Advertisement & Trade Shows	63,333,729	62,417,313
Bad Debts	588,866	64,760,816
Commission	4,004,749	299,840,523
Discount	16,811,310	18,266,666
Directors Remuneration	24,259,297	24,602,448
Donation	754,923	1,881,669
Electricity & Water Charges	22,767,318	32,170,007
General Expenses	121,500,975	47,010,879
Membership, Books & Periodicals	11,785,090	12,872,744

NOTE 25 – OTHER EXPENSE (CONTD.)

Amount in ₹

Miscellaneous expenses	13,909,597	20,672,428
Net loss on foreign currency transaction and translation	3,788,794	-
Net loss on sale of assets	-	244,099
Office Maintenance	131,930,556	25,698,768
Outside Labour	144,263,807	82,317,719
Postage, Telephone & Fax Charges	53,265,911	60,405,188
Printing & Stationery	10,353,867	11,665,945
Prior period items	18,873,015	43,593,545
Professional Consultancy Charges	354,116,336	323,312,262
Quality Certification, Patent & FDA Expenses	7,582,183	10,975,541
Rates & Taxes	63,480,364	101,296,455
Rent	147,103,506	170,321,514
Travelling & Conveyance	200,696,918	180,380,136
Total B	1,434,282,983	1,618,864,681
SELLING EXPENSES:		
Business Promotion Expenses	122,636,577	116,424,684
Clearing Charges	5,385,767	7,656,583
Freight & Handling Charges	29,626,698	51,565,274
Packing Materials	5,357,341	13,225,260
Transportation	29,972	15,700
Total C	163,036,355	188,887,501
Total (A+B+C)	2,837,275,720	2,953,460,389

25A - PRIOR PERIOD EXPENSE CONSIST OF FOLLOWING ITEMS

Amount in ₹

Particulars	2015	2014
Professional Expense	18,241	9,394,446
Non Moving Stock Written-off	18,132,340	32,881,224
Interest	463,139	958,476
Tax provision	259,295	359,399
Total	18,873,015	43,593,545

NOTE 25B -PAYMENT TO AUDITORS (NET OF SERVICE TAX)

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Audit fee	15,709,084	23,606,444
Tax Audit fees	2,920,840	370,900
Taxation matters	-	113,256
Other services	481,948	67,416
Total	19,111,872	24,158,016

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NOTE 26 - PROVISION FOR TAX

Amount in ₹

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Current Tax	15,315,711	224,188,064
Deferred Tax	1,812,637	(4,444,940)
Total	17,128,348	219,743,124

Provision is made for Income tax annually based on the Tax liability computed after considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowance or other matters is probable. The company is not charging off MAT on SEZ profit, which will be set off against liability arising in future years. In the event of non-set off due to the effect of not carrying forward, it will be written off in that financial year.

NOTE 27 - EARNINGS PER SHARE

Amount in ₹

Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
Net Profit after tax	(1,563,745,678)	909,723,169
Basic and Weighted average number of Equity Shares outstanding during the period	242,319,407	242,319,407
Nominal Value of Equity Shares	10	10
Basic Earnings per Equity Shares	(6.45)	3.75

NOTE 28 - RETIREMENT BENEFITS TO EMPLOYEES

The company and its Indian Subsidiaries liability towards retirement benefit in the form of provident fund, gratuity and earned leave encashment are provided for on accrual basis and charged to revenue expenditure. The company contributed to the employee provident fund under the Employee's provident fund scheme of the central government. The gratuity liability is provided and charged off as revenue expenditure on actuarial valuation. The company has subscribed to the group gratuity scheme policy of LIC of India. The company has complied with the Provident fund and Employee state Insurance wherever applicable.

Overseas subsidiaries provide for retirement benefits under respective laws and regulations.

In OCCL group, 401(k) Plan includes provision for an employee deferral of up to 50% of pre-tax compensation to the maximum deferral allowed under Internal Revenue Code guidelines, and up to 50% of compensation for after-tax deferral. On behalf of eligible employees, the group may make matching contribution equal to a discretionary percentage of the elective deferral up to the Plan's established limits and is subject to the Plan's vesting schedule. In OEHL group, eligible employees receive benefit from a provident fund which is a defined benefit plan. Both employee and the company make monthly contribution to the provident fund plan equal to a specified percentage of the covered employees salaries.

NOTE 29 - CONVERSION RATES USED FOR FOREIGN FINANCIALS ON 31ST MARCH 2015 ARE AS FOLLOWS

Particulars	Opening rate (₹)	Average Rate (₹)	Closing Rate (₹)
USD	60.10	61.35	62.59
Euro	82.58	75.04	67.51
MYR	18.35	17.59	16.82
SGD	47.73	46.55	45.36

NOTE 30A - CONTINGENT LIABILITY

Amount in ₹

Particulars	As at 31.03.2015	As at 31.03.2014
Income Tax matters - The income tax department has raised a demand for tax for the AY 2004-05 for which the company has preferred an appeal before the Commissioner of Income Tax (Appeal) III. Pending disposal of this, the company has not provided liability for income Tax.	1,416,000	1,416,000
Guarantees		
Corporate Guarantee has been given to Advanced Micronic Devices Limited (Company holding 59.71% of shares)	NIL	170,400,000
Corporate Guarantee has been given to Opto Cardiac Care Limited (Company holding 100% of shares)	610,000,000	875,000,000
Corporate Guarantee has been given to Eurocor GmbH on behalf of Opto Eurocor Health Care Limited (Company holding 96.85% of shares)	540,083,200	600,998,000
Corporate Guarantee has been Given to Eurocor Asia Sdn Bhd on behalf of Opto Eurocor Health Care Limited (Company holding 96.85% of shares)	1,339,163,720	1,338,269,840
Corporate Guarantee has been given to Cardiac Science Corporation on behalf of Opto Cardiac Care Limited (Company holding 100% of shares)	5,745,835,440	3,305,489,000
Corporate Guarantee has been given to Opto Cardiac Care Limited (Company holding 100% of shares)	1,514,697,360	1,802,994,000
Corporate Guarantee has been given to Criticare Systems Sdn Bhd on behalf of Opto Cardiac Care Limited (Company holding 100% of shares)	312,954,000	NIL
Corporate Guarantee has been given to Unetixs Vascular Inc. on behalf of Opto Cardiac Care Limited (Company holding 100% of shares)	137,699,760	NIL
Corporate Guarantee to Celestica Inc. for credit facility for supply of materials availed by Cardiac Science corporation (subsidiary of Opto Cardiac Care Limited)	938,862,000	NIL
Bank Guarantees issued on behalf of the Company by Banks	NIL	12,500,000

NOTE 30 B

The company has filed Writ petitions (No 21939-942/2011 & 21943-946/2011) No 21942/2011 in the High Court of Karnataka on the ground that income accrued or arising from business carried on by the company as SEZ developer or unit are exempted from applicability of MAT as provided under section 115JB (6) and Section 115-O(6) of the Income tax act. However the writ petition filed by the company came to be dismissed and the contention was not accepted by the single judge of the High court in its judgement dated 12/06/2013. The company filed a Writ Appeal No. 4271/2013 with the Divisional Bench of the Hon'ble High Court of Karnataka which has been admitted on 7th March 2014, adjourned sine die and referred to a larger bench of the Hon'ble Apex Court.

Amount in ₹

Particulars	AY 2013-2014	AY 2012-2013
Tax	489,937,012	465,455,768
Interest	75,362,548	45,728,656

The company has paid a sum of ₹ 51 crores for the assesment year 2012- 2013 under protest. If the judgement is not favourable then the contingent liability for the assesment year 2013-14 would be ₹ 57 crores. In respect to payment of Dividend distribution Tax the company had obtained a stay from the High Court of Karnataka. This stay was vacated and the company filed a Writ Appeal No. 4271/2013 with the Divisional Bench of the Hon'ble High Court of Karnataka which has been admitted on 7th March 2014, adjourned sine die and referred to a larger bench of the Hon'ble Apex Court. If the outcome of this appeal is not

OPTO CIRCUITS (INDIA) LIMITED

favorable, there is a contingent Liability to the extent of ₹ 49 crores as outlined below:

Amount in ₹

Assesment Year	Dividend Distribution Tax	Interest Amount	Total
2010-11	124,590,035	51,081,914	175,671,949
2011-12	139,513,855	40,459,018	179,972,873
2012-13	117,930,798	20,048,236	137,979,034
Total	382,034,688	111,589,168	493,623,856

NOTE 31 - RESEARCH AND DEVELOPMENT

Research and development costs are expensed as and when incurred except for certain items which are capitalized and amortized based on estimated life. During the year ₹ 4,893.72 Lacs has been spent.

NOTE 32 - EXCEPTIONAL ITEMS

Due to the impact of cyclonic flood 'HUD-HUD' in october 2014 at vishakapatnam SEZ plant, an amount of ₹ 18,140.00 lakhs was assessed and the loss of stock/Inventories is indicated under exceptional items.

NOTE 33 - SEGMENT REVENUE

The Group has only two Business Segments consisting of Health Care & Information Technology.

₹ In Lacs

Particulars	International 31.03.2015	Domestic 31.03.2015	Total 31.03.2015
1. SEGMENT REVENUE			
a. Health Care	117,149.54	1,521.12	118,670.66
b. Information Technology	-	450.07	450.07
c. Others	32.09	3,045.27	3,077.36
Total	117,181.64	5,016.46	122,198.09
Less: Inter Segment Revenue	(441.04)	(565.34)	(1,006.38)
Net Sales/Income From Operations	116,740.60	4,451.12	121,191.72
2. SEGMENT RESULTS (PROFIT BEFORE INTEREST, TAX & EXCEPTIONAL ITEMS)			
a. Health Care	17,112.52	294.90	17,407.42
b. Information Technology	-	(450.07)	(450.07)
c. Others	-	-	-
Total	17,112.52	(155.17)	16,957.35
Less: Interest	14,166.12	184.87	14,350.99
Total Profit Before Tax	2,946.40	(340.04)	2,606.36

NOTE 34 - OTHER COMMITMENTS

a) The company has purchase obligation of ₹ 1,382,107,352 (\$ 22,810,515) consisting of outstanding purchase orders issued in normal course of business.

NOTE 35- RELATED PARTY DISCLOSURES:

Sl.No	Name of Related Party	Nature of Relationship	% of Holding
1	Advanced Micronic Devices Limited	Subsidiary Company	59.71%
2	Mediaid Inc, USA	Subsidiary Company	100.00%
3	Devon Innovations Private Limited	Subsidiary Company	100.00%
4	Ormed Medical Technology Limited	Subsidiary Company	100.00%
5	Opto Infrastructure Limited	Subsidiary Company	87.20%
6	Maxcor Lifescience Inc, USA	Subsidiary Company	100.00%
7	Opto Circuits (Malaysia) Sdn, Bhd.	Subsidiary Company	100.00%
8	Opto Cardiac Care Limited	Subsidiary Company	100.00%
9	Opto Eurocor Healthcare Limited	Subsidiary Company	96.85%
10	Cardiac Science Corporation	Stepdown Subsidiary company	NA
11	Criticare System Inc,	Stepdown Subsidiary company	NA
12	Unetixs Vascular Inc	Stepdown Subsidiary company	NA
13	Eurocor GmbH	Stepdown Subsidiary company	NA
14	Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	NA
15	Eurocor (S) Pte. Ltd.	Stepdown Subsidiary company	NA
16	N S Remedies Private Limited	Stepdown Subsidiary company	NA

KEY MANAGEMENT PERSONNEL

Sl.No	Name of Related Party	Relationship
1	Vinod Ramnani	Key Management Personnel
2	Jayesh C Patel	Key Management Personnel
3	Thomas Dietiker	Key Management Personnel

OPTO CIRCUITS (INDIA) LIMITED

NOTE 36

Additional Information, as required under Schedule III to the Companies Act, 2013 of entities consolidated as Subsidiaries:

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount ₹ Lacs	As % of consolidated profit or loss	Amount ₹ Lacs
Parent Company				
Opto Circuits (India) Limited	65.18%	128,498.90	127.86%	(20,151.16)
Subsidiaries				
Indian				
Advance Micronic Devices Ltd, India	0.17%	327.53	2.43%	(380.65)
Opto Eurocor Healthcare Ltd, India	23.79%	46,890.60	-17.43%	2,725.87
Ormed MedicalTechnology Ltd, India	0.19%	381.79	-0.16%	24.41
Devon Innovations Pvt. Ltd, India	0.46%	903.44	-1.21%	189.02
Opto Infrastructure Ltd, India	2.16%	4,254.34	0.00%	-
Opto Cardiac Care Ltd, India	12.92%	25,477.93	18.01%	(2,816.00)
Foreign				
Mediaid Inc. USA	11.06%	21,795.10	-24.64%	3,853.49
Opto Circuits (Malaysia) Sdn. Bhd, Malaysia	4.36%	8,601.58	-5.47%	855.48
Maxcor LifeScience Inc, USA	0.00%	-	0.00%	
Minority Interests in all subsidiaries	0.97%	1,903.23	0.43%	(67.47)
Effect of intercompany adjustments	-21.25%	(41,892.75)	0.03%	(5.37)
TOTAL	100%	197,141.69	100%	(15,637.46)

NOTE 37

Cardiac Science Corporation had Written off fixed assets worth ₹6,321.46 Lacs (\$ 10.099 million) in its Audited Financial Statement for the year ended March 2015, as it had been impaired. However, in the consolidated financial statements, the management has withdrawn the write off done by Cardiac Science Corporation and it has been determined that these fixed assets are usable in Opto Circuits Malaysia Sdn Bhd and the same has been transferred at cost from Cardiac Science Corporation to Opto Malaysia Sdn Bhd.

NOTE 38

The previous year's figures have been regrouped/restated wherever necessary to conform with current year's classification

For and on behalf of the Board of Directors

VINOD RAMNANI
Chairman & Managing Director

JAYESH PATEL
Director

Place: Bengaluru
Date: 1st December, 2015

As per our report of even date

FOR ANAND AMARNATH & ASSOCIATES
Chartered Accountants

B K AMARNATH
Partner

Membership Number: 26536
Firm Registration Number: 000121S

OPTO CIRCUITS (INDIA) LIMITED

ANNEXURE A - STATEMENT CONTAINING THE SALIENT FEATURES OF THE FINANCIAL STATEMENTS OF SUBSIDIARIES/ASSOCIATE COMPANIES/JOINT VENTURES (PURSUANT TO FIRST PROVISIO TO SUB-SECTION (3) OF SECTION 129 OF THE COMPANIES ACT ,2013 READ WITH RULE 5 OF THE COMPANIES (ACCOUNTS) RULES, 2014 - AOC -1)

₹ in Lacs

Sl No.	Name of Subsidiary and Country of Incorporation	Exchange Rate	Share Capital	Reserves & Surplus	Total assets	Total Liabilities (excluding share-capital & reserve & surplus)	Investments	Turnover	Profit/(loss) before taxation	Provision for taxation	Profit/(loss) after taxation	Proposed Dividend	% of Shareholding
1	Advanced Micronic Devices Limited, India	-	528.11	(200.58)	5,171.59	4,845.14	1.09	1,247.85	(573.65)	(193.00)	(380.65)	-	59.71%
2	Opto Eurocor Healthcare Ltd, India	-	6,608.24	42,043.56	89,163.25	40,511.45	-	10,508.78	2,782.64	56.78	2,725.87	-	96.85%
3	Medialid Inc. USA	1 USD = Rs.62.5908	4,455.49	17,339.60	27,025.12	5,230.02	-	8,177.94	3,862.38	8.89	3,853.49	-	100%
4	Ormed Medical Technology Ltd, India	-	25.00	356.79	507.21	125.42	-	482.77	34.63	10.23	24.41	-	100%
5	Devon Innovations Pvt. Ltd, India	-	10.00	893.44	2,015.21	1,111.78	-	762.19	243.25	54.23	189.02	-	100%
6	Opto Infrastructure Ltd, India	-	2,067.45	2,186.89	13,346.38	9,092.05	-	-	-	-	-	-	87.20%
7	Opto Circuits (Malaysia) Sdn. Bhd, Malaysia	1 MYR = Rs. 16.8194	4,463.00	4,138.58	15,058.52	6,456.94	-	1,294.79	855.48	-	855.48	-	100%
8	Maxcor LifeScience Inc, USA	1 USD = Rs.62.5908	-	-	-	-	-	-	-	-	-	-	100%
9	Opto Cardiac Care Ltd, India	-	5,005.50	20,472.43	174,335.82	133,857.89	-	85,109.45	(2,648.72)	167.28	(2,816.00)	-	100%

SAFE HARBOUR

Statements made in this Annual Report describing the Company's objectives, projections, estimates and expectations may be "forward-looking statements" within the meaning of applicable securities laws and regulation and are based on the currently held beliefs and assumptions of our management, which are expressed in good faith and in their opinion, reasonable. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include, without limitation, economic conditions affecting demand and acceptance of Company's products and services, raw material price changes, supply and price conditions in the domestic and overseas markets in which the Company operates, consequences of competing factors including ability to attract and retain customers, Company's success in attracting and retaining key personnel, integration and restructuring activities, general business and economic conditions beyond the Company's control, changes in the government regulations, tax laws and other statutes and other incidental factors. Because such statements deal with future events, they are subject to various risks and uncertainties and actual results may differ materially from the Company's current expectations. You are cautioned not to place undue reliance on these forward-looking statements.

The Company undertakes no obligation to revise or update forward-looking statements, whether as a result of new information, future events or otherwise.

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NOTES

OPTO CIRCUITS (INDIA) LIMITED

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