

**OPTO CIRCUITS (INDIA) LIMITED.** (UNIT II)
100% EOU12th October 2018

The Manager
Department of Corporate Services
BSE Limited.,
PJ Towers, Dalal Street
Fort, MUMBAI - 400 001
Script Code: 532391

The Manager
National Stock Exchange of India Ltd
Exchange Plaza
Bandra Kurla Complex
Bandra (E), MUMBAI - 400 051
Script Code: OPTOCIRCU

Dear Sir/Madam,


Sub: Copy of adopted Annual Report

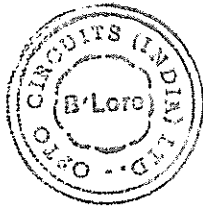
Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the adopted copy of Annual Report of 26th Annual General Meeting of the Company held on 29th September 2018 at 10.30 AM at the registered office of the Company situated at Plot No.83, Electronic City, Hosur Road, Bangalore as per the Companies Act, 2013.

Please take the documents on record and kindly treat this as compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Thanking you,

Yours faithfully,
For Opto Circuits (India) Limited.,


Supriya Kulkarni,
Company Secretary.



Encl: a/a.

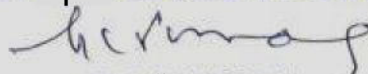
OPTO CIRCUITS (INDIA) LIMITED
REGD OFFICE: PLOT #83, ELECTRONIC CITY, HOSUR ROAD, BANGALORE-560100

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018 (STANDALONE)

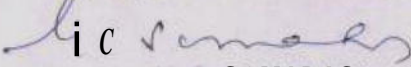
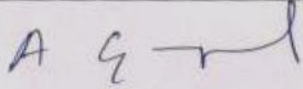
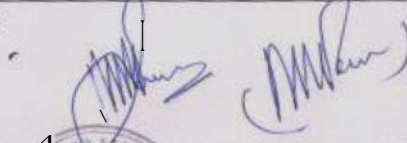
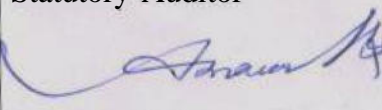

(Amount in Lakhs)

S.No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (after adjusting for qualifications)
1.	Turnover/Total income	6,371.03	6,371.03
2.	Total Expenditure	5,370.52	5,370.52
3.	Net Profit/ (Loss)	1,000.51	1,000.51
4.	Earnings Per Share	0.39	0.39
5.	Total Assets	1,77,448.97	1,77,448.97
6.	Total Liabilities	65,118.31	65,118.31
7.	Net Worth	1,12,330.66	1,12,330.66
6.	Any other financial item(s) (as felt appropriate by the Management)	-	-
II	Audit Qualifications		
	<p>a. Details of Audit Qualifications: (each audit qualification separately)</p> <ul style="list-style-type: none"> • No provision of Interest on Borrowings from banks of Rs 37,005.77 lakhs claimed as NPA and no interest is charged by the banks * Not providing for the bad and doubtful debts/receivables (due to inadequacy of profits) and statutory permissions/sanctions. * impairment loss on investment/ advances in/to subsidiary due to negative net worth of the subsidiary • Impairment of Intangible asset under development of Rs 15,710.43 lakhs (Carrying Amount) <p>*For detailed description please refer attached audit report</p>		
	<p>b. Type of Audit Qualification: :</p> <ul style="list-style-type: none"> • Qualified opinion - However the opinion is in the nature of emphasis of matter 		
	<p>c. Frequency of qualification :</p> <ul style="list-style-type: none"> * Recurring 		
	<p>d. For Audit qualification (s) where the impact is quantified by the Auditor, Management's views:</p> <ul style="list-style-type: none"> • The above mentioned qualifications by the auditors have not been quantified <p>*For further clarification please refer attached audit report</p>		
	<p>e. For Audit qualification (s) where the impact is not quantified by the Auditor:</p>		

For Opto Circuits India Ltd.


M. STMADAS

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results.

i. Management's estimation on the impact of audit qualification: Not assessable
ii. If Management is unable to estimate the impact, reasons for the same: Effective Steps are being initiated to obtain Valuation/Technical feasibility Report.
iii. Auditor's Comments on (i) or (ii) above: Refer Audit Report.
III. Signatories
Managing Director Fpr Opto Circuits India Ltd.  (G.C. SOMADAS) Managing Director
CFO 
Audit Committee Chairman 
Statutory Auditor  
Place f/w AALC IQ Date 30 / a A / 201 r

OPTO CIRCUITS (INDIA) LIMITED
REGD OFFICE: PLOT #83, ELECTRONIC CITY, HOSUR ROAD, BANGALORE-560100

STATEMENT ON IMPACT OF AUDIT QUALIFICATIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018 (CONSOLIDATED)

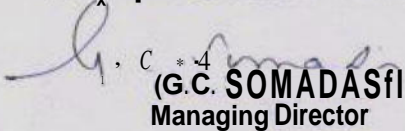

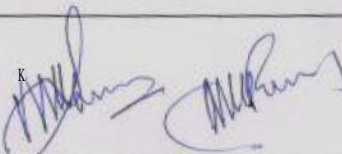
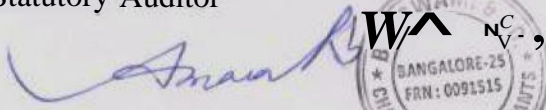
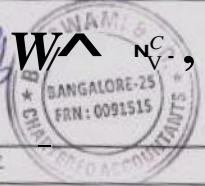
(Amount in Lakhs)

S.No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Audited Figures (after adjusting for qualifications)
1.	Turnover/Total Income	23,117.34	23,117.34
2.	Total Expenditure	19,558.35	19,558.35
3.	Net Profit/ (Loss)	3,558.99	3,558.99
4.	Earnings Per Share	0.39	0.39
5.	Total Assets	1,98,881.17	1,98,881.17
6.	Total Liabilities	1,06,246.24	1,06,246.24
7.	Net Worth	92,634.93	92,634.93
8.	Any other financial item(s) (as felt appropriate by the Management)	-	-
II	Audit Qualifications		
a.	Details of Audit Qualification: (each audit qualification separately) <ul style="list-style-type: none"> • No provision of Interest on Borrowings from banks of Rs 37,005.77 lakhs claimed as NPA and no interest is charged by the banks • Not providing for the bad and doubtful debts/receivables (due to in adequacy of profits) and statutory permissions/sanctions. • Impairment loss on investment/advances in/ to subsidiary/ stepdown subsidiary due to negative net worth of die subsidiary/ stepdown subsidiary • Impairment of Intangible asset under development of Rs 15,710.43 lakhs (Carrying Amount) • Non moving Stocks of Subsidiary AMDL *For detailed description please refer attached audit report		
b.	Type of Audit Qualification: : <ul style="list-style-type: none"> • Qualified opinion - However the opinion is in tire nature of emphasis of matter 		
c.	Frequency of qualification : <ul style="list-style-type: none"> * Recurring 		
d.	For Audit qualification (s) where the impact is quantified by the Auditor, Management's views: <ul style="list-style-type: none"> * The above mentioned qualifications by the auditors have not been quantified * Impairment loss of Eurocor GMBH- Step down subsidiary Euro Core GMBH is a going concern, hence impairment loss is not crystalized * Impairment loss of Subsidiary in OCCL- The case is pending before bankruptcy court , further as RBI approval is mandatory , Impairment is not provided for *For further clarification please refer attached audit report		
e.	For Audit qualification (s) where the impact is not quantified by the Auditor:		

For Opto Circuits India Ltd.


 (G.C. SOMAAS)

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results.

i.	Management's estimation on the impact of audit qualification: Not assessable
ii.	If Management is unable to estimate the impact, reasons for the same: Effective Steps are being initiated to obtain valuation/Technical feasibility Report.
iii.	Auditor's Comments on (i) or (ii) above: Refer Audit Report.
III. Signatories	
Managing Director	For Opto Circuits India Ltd.  (G.C. SOMADAS) Managing Director
CFO	
Audit Committee Chairman	
Statutory Auditor	 
Place	BANGALORE
Date	30 Jpg / 2018-

AGM NOTICE

OPTO CIRCUITS (INDIA) LIMITED

CIN: L85110KA1992PLC013223

Registered Office: Plot No.83, Electronic City, Hosur Road, Bangalore – 560 100

Website: www.optoindia.com, Email ID: ir@optoindia.com, Email: investorservices@optoindia.com

Tel: 080 – 28521040-41-42, Fax: 080 – 28521094.

NOTICE is hereby given that the 26th Annual General Meeting of the Members of Opto Circuits (India) Limited., will be held on Saturday 29th September 2018, at 10.30 AM at the Registered Office of the Company situated at Plot No.83, Electronic City, Hosur Road, Bangalore – 560 100, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon:
2. To approve the retirement by rotation of Mr. Jayesh Chandrakant Patel (DIN: 01338843), who does not offer himself for re-appointment

SPECIAL BUSINESS:

3. Appointment of Ms. Rangalakshmi Srinivasa (DIN: 08145970) as Director of the Company;
To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) and the Articles of Association of the Company, Ms. Rangalakshmi Srinivasa, (DIN:08145970), who was appointed as an Additional Director of the Company by the Board of Directors at its Meeting held on June 06, 2018 in terms of Section 161(1) of the Companies Act, 2013 and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall not be liable to determination by retirement of Directors by rotation."
4. Appointment of Ms. Rangalaxmi Srinivasa (DIN: 08145970) as an Independent Director of the Company;
To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, as may be in force from time to time, Ms. Rangalaxmi Srinivasa, (DIN:08145970) Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term up to the conclusion of the for a period of 5 years, from June 06, 2018 to June 05, 2023, and shall not be liable to retire by rotation."
5. Issue of further Shares on Stock Swap basis to the Shareholders of Opto Eurocor Healthcare Limited.,
To consider and if thought fit, to pass the following as a Special Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 42, 62, and any other applicable provisions of the Companies Act, 2013 read with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), any other applicable laws, Regulations, policies or guidelines, the provisions of the Memorandum of Association and Articles of Association of the Company, the Foreign Exchange Management Act, 2000 ('FEMA') and the relevant Rules there under and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the "SEBI ICDR Regulations"), Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI Takeover Regulations"), and amendments thereto the regulations/guidelines, if

any, prescribed by the Reserve Bank of India ("RBI"), the Foreign Investment Promotion Board ("FIPB"), the Securities and Exchange Board of India ("SEBI"), the Government of India ("GoI") and all other relevant Statutory, Governmental Authorities or Departments, Institutions or Bodies in this regard (collectively, the "Appropriate Authorities" and individually, the "Appropriate Authority") and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of them while granting such approvals, consents, sanctions and permissions as may be necessary or which may be agreed to, by the Board of Directors of the Company (the "Board") which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution), to create, offer, issue and allot, from time to time, in one or more tranches, through a private placement and / or any other nature of offerings as may be permitted under applicable laws, 1,31,46,588 (One Crore Thirty One Lakhs Forty Six Thousand Five Hundred Eighty Eight Only) Equity Shares of ₹10/- each of the Company at a price of ₹15/- Per Share, in exchange for 5,05,638 (Five Lakh Five thousand Six Hundred Thirty Eight Only) number of fully paid up Equity Shares of ₹10/- each in Opto Eurocor Healthcare Limited, a subsidiary of the Company, based on the valuation of the said Shares with the details of the proposed allottees as detailed under the Explanatory Statement, Item No.5.

RESOLVED FURTHER THAT in accordance with the provisions of Chapter VII and Regulation 71 of the SEBI (ICDR) Regulations, the "Relevant Date" for the purpose of calculating the floor price for the issue of Equity Shares is 30th August 2018.

RESOLVED FURTHER THAT the Equity Shares to be allotted pursuant to the aforesaid preferential allotment shall rank pari-passu in all respects including as to dividend, with the existing fully Paid up Equity Shares of face value of ₹10/- each of the Company, subject to lock-in as per requirements of SEBI (ICDR) Regulations and subject to the relevant provisions contained in the Memorandum of Association and Articles of Association of the Company and the Equity Shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals.

RESOLVED FURTHER THAT the Equity Shares shall be issued and allotted by the Company to the proposed allottee in dematerialized form within a period of 15 days from the date of passing of this resolution provided that where the issue and allotment of the said Equity Shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government, or the Stock Exchanges, the issue and allotment shall be completed within a period of 15 days from the date of such approval.

RESOLVED FURTHER THAT subject to the provisions of the SEBI Regulations and other applicable laws, the Board be and is hereby authorized to vary, modify or alter any of the relevant terms and conditions, including size of the preferential issue, as may deem expedient.

RESOLVED FURTHER THAT the Company do make an application to the National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL) for admitting the new Equity Shares allotted on preferential basis as and when required.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board/ the Committee be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allotment of aforesaid Equity Shares and listing of the Equity Shares to be allotted on preferential allotment basis with the Stock Exchange(s) as appropriate and to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of any of the said Equity Shares, the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, including without limitation, issuing clarifications on the offer, making any application etc., to the concerned regulatory authorities, issue and allotment of the Equity Shares, to execute necessary documents and enter into contracts, arrangements, other documents (including for appointment of agencies, intermediaries and advisors for the issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution and the decision of the Board shall be final and conclusive.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do all such acts, deeds and things as may be required in connection with the aforesaid resolutions, including making necessary filings and applications etc., with the Stock Exchanges and regulatory authorities and execution of any documents on behalf of the Company and to represent the Company before any Governmental and regulatory authorities and to appoint any merchant bankers or other professional advisors, consultants and legal advisors to give effect to the aforesaid resolution."

6. To approve the continuation of current term of Mr. Nanjappaiah Madgondapalli Ramu (DIN: 07268616) Non-Executive Independent Director.

To consider and if thought fit to pass the following as a Special Resolution:

"RESOLVED THAT pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, approval of the Members be and is hereby accorded for Mr. Nanjappaiah Madgondapalli Ramu (DIN: 07268616) (who has attained the age of 75 years) to continue as Non-Executive Independent Director, under the current tenure of appointment, which ends on the conclusion of the 30th Annual General Meeting of the Company without any change in the applicable terms of his appointment."

By order of the Board

For OPTO CIRCUITS (INDIA) LIMITED

Supriya Kulkarni

Company Secretary

Membership No: A22794

Place: Bengaluru

Date: 31st August 2018

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. A proxy in order to be valid should be duly completed and stamped and deposited with the Company at the Registered Office at least 48 hours before the commencement of the meeting. Proxy submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution / authority, as applicable, blank proxy form and attendance slips are enclosed with this Notice.
3. A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total Share Capital of the Company carrying voting rights. A member holding more than 10% of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.
4. Members/Proxies are requested to bring the Attendance Slip send herewith duly filled for attending the Meeting along with their copy of Annual Reports to attend the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 with respect of business under item no. 03 to 06 as set out in the Notice is annexed hereto.
7. Pursuant to provisions of Section 91 of the Companies Act, 2013. The Register of Members and the Share Transfer Books will remain closed from 25th September 2018 to 29th September 2018 (both days inclusive).
8. Members desiring information as regard to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.

9. Members whose shareholding is in the electronic mode are requested to inform the change of address and update the Bank account details to their respective Depository Participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends in future.
10. Members are requested to address all correspondence to the Register and Share Transfer Agent of the Company, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramaguda, Serilingampally, Hyderabad – 500 032. Email: mailmanager@karvy.com
11. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company or the Registrar and Share Transfer Agents of the Company, Karvy Computershare Private Limited. Members are requested to note that dividends not encashed or not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be as per Section 124 and 125 of the Companies Act, 2013, transferred to the Investors Education and Protection Fund.
12. In respect of Shares held by Companies, trusts, societies etc., the authorized representatives are requested to bring a duly certified copy of the Board Resolution / Appropriate authorization with their specimen signature(s) duly attested for attending the meeting.
13. The Securities and Exchange Board of India (SEBI) has mandated submission of the Permanent Account Number. (PAN) by every participant in the securities market. Members holding share in the electronic form are, therefore, requested to submit their PAN to their Depository Participants. Members holding shares in physical form are required to submit their PAN details to the Company.
14. Members are requested to note that, entry to the meeting hall/premises is strictly restricted to the members/beneficial owners holding duly filled in attendance slip and proxies holding valid proxies forms.
15. With a view to using natural resources responsibly, we request Members to register their email id with Depository Participants for receiving all communications from the Company including Notice of the Annual General Meeting and Annual Reports through electronic mode.
16. All documents referred to in the Notice will be available for inspection at the Company's Registered Office during normal business hours on normal working days up to the date of AGM.
17. Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report 2017-18 will be available on the Company's web site, www.optoindia.com
18. Only bona fide members of the Company whose names appear in the Register of Members/Proxy Holders in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non members from attending the meeting.
19. Mr. Vijaykrishna KT, Practising Company Secretary, Bangalore (Membership No.1788) has been appointed as Scrutinizer to scrutinize the e-voting process and poll to be taken at the meeting in a fair and transparent manner.
20. The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days (48 hours) of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favor or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
21. The results of the Annual General Meeting shall be declared forty eight hours from the conclusion of the Annual General Meeting. The e-voting results along with the Scrutinizer's Report shall be placed on the Company's website www.optoindia.com and on the website of Karvy. The results will also be communicated to the Stock Exchange(s) where the Shares of the Company are listed.
22. Further, members may note the following:
 - a. Remote e-voting shall not be allowed beyond the said date and time.
 - b. The Company is providing facility to vote on a poll to the members present at the meeting.
 - c. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - d. A person whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting in the General Meeting.

23. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 the Company is providing facility for e-voting to all the members. A separate e-voting instructions slip has been sent explaining the process of e-voting with necessary user id and password along with procedure for such e-voting. Such e-voting facility is in addition to the voting through Ballot papers that may take place at the meeting venue on Saturday, 29th September 2018. The members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again.
24. Additional information pursuant to Regulation 36 of the SEBI (Listing and Obligation and Disclosure Requirements) Regulations 2015, in respect of the Director seeking appointment at the AGM is as follows:

Name of the Director	Ms. Rangalakshmi Srinivasa
Date of Birth	23.12.1966
Date of appointment	06.06.2018
Relationship with other Director	Nil
Expertise in Specific Functional area	Ms. Rangalakshmi Srinivas holds Engineering degree in Instrumentation Technology. She started her career as lecturer at Sri Jayachamarajendra College of Engineering, Mysore & further associated with Ambedkar Institute of Technology, Bangalore. She is one of the founders of Basaveshwara Education Institute, Bangalore and currently heading the Educational Institution as Secretary & Principal. Ms. Rangalakshmi Srinivas is actively involved in life skill & laughter yoga training and has written more than 350 Kannada poems. She has been awarded Sadhana Prakasha & Sir M. Vishweshwara Awards.
Qualification	BE (Instrumentation Technology)
Directorship in other Companies	Nil
Membership of the Committees of the Board Committees in all Companies	02 (Two) Audit & Risk Management Committee: Opto Circuits (India) Ltd Stakeholders Relationship Committee: Opto Circuits (India) Ltd
Share holding in the Company	NIL

Considering the working knowledge, qualifications and experience of the above Director, it would be in the interest of the Company to appoint Ms. Rangalakshmi Srinivasa as an Independent Director of the Company.

By order of the Board
For **OPTO CIRCUITS (INDIA) LIMITED**

Supriya Kulkarni
Company Secretary
Membership No : A22794

Place: Bengaluru
Date: 31st August 2018

EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act 2013 ("Act"), the following explanatory statement sets out all material facts relating to all the Special Business mentioned in the accompanying Notice.

ITEM NOS. 3 & 4

The Board of Directors vide its resolution dated 6th June 2018 appointed Ms. Rangalaxmi Srinivasa, (DIN:08145970) as an Additional Director of the Company, in the capacity of Independent Director. Ms. Rangalaxmi Srinivasa, holds office up to the date of this Annual General Meeting, and it eligible for appointment as Director. In terms of Section 160 of the Companies Act, 2013, the Company has received notice in writing from a member proposing her candidature for appointment as Independent Director as per the provisions of Section 149 and 152 of the Companies Act, 2013.

Ms. Rangalaxmi Srinivasa, has given declarations to the Board of Directors of the Company, meeting the criteria of Independence as required under Section 149 of the Companies Act, 2013. In the opinion of the Board of Directors, Ms. Rangalaxmi Srinivasa, fulfils the conditions specified in the Companies Act, 2013 and rules made there under for her appointment as Independent Director of the Company and is independent of the Management. The Board considers that her continued association would be of immense benefits to the Company and it is desirable to continue to avail the service as Independent Director.

Expect Ms. Rangalaxmi Srinivasa, (DIN:08145970) being appointee or her relatives, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution set out at Item Nos. 3 & 4.

ITEM NO.5

The Members at their 25th Annual General Meeting held on 5th September 2017 had approved the issue of further shares on stock swap basis to the shareholders of Opto Eurocor Healthcare Limited. Subsequently, with the approval of BSE Ltd and National Stock Exchange of India Limited (NSE) Company made preferential allotment during November 2017. Post to the above referred stock swap transaction, Your Company holds 6,54,07,743 Equity Shares of ₹10/- each in Opto Eurocor Healthcare Limited., (OEHL), constituting 97.02% of its Share Capital and hence, OEHL is a subsidiary of the Company. OEHL's business has been growing and has huge potential to scale up. Your Directors propose to acquire 5,05,638 Equity Shares of OEHL. post acquiring the above mentioned Shares, the total % of holding in OEHL would be 97.76%. Equity Shares in OEHL held by some of the Shareholders there in who had invested long back in OEHL and those who are known to the Promoters. This will enable your Company to have complete control over OEHL with full flexibility to align the business and to enable any kind of integration or such other organizational restructuring opportunities.

Accordingly, the Board of OEHL recommended this proposal based upon the approval from its shareholders to your Company and very careful evaluation process was undertaken. An Independent firm of reputed Chartered Accountants was engaged by OEHL and your Company to undertake this process and prevailing guidelines and formula of the SEBI were followed to arrive at the price. However, the Board of your Company has proposed which was agreed to by the Shareholders of OEHL itself, to issue Shares at ₹15/- per Equity Shares i.e. above the base price arrived at as per the said formula, keeping the interests of the Company and of the current Shareholders.

The valuation reports of the Opto Eurocor Healthcare Limited., obtained from Messers. Ishwar & Gopal, Chatered Accountants, Bangalore are kept open for inspection by the Members.

Your Board at its Meeting held on 31st August 2018, subject to the approval of Shareholders, approved the proposal issue of 1,31,46,588 (One Crore Thirty One Lakhs Forty Six Thousand Five Hundred Eighty Eight Only) Equity Shares of ₹10/- each of the Company at a price of ₹15/- Per Share, in exchange for 5,05,638 (Five Lakh Five thousand Six Hundred Thirty Eight Only) number of fully paid up Equity Shares of ₹10/- each in Opto Eurocor Healthcare Limited., a Subsidiary of the Company, based on the valuation of the said Shares.

The Equity Shares allotted would be listed on BSE Limited and National Stock Exchange of India Limited. The preferential Allotment is subject to the approval of the members of the Company and other statutory approvals, if any. Since the Company is listed, the proposed issue is in terms of the provisions of the Companies Act, 2013 ('Act'), SEBI (ICDR) Regulations 2009 (as amended), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and other applicable provisions. Details of the Preferential Allotment and other particulars in terms of Regulation 73 of the SEBI (ICDR) Regulations in relation to the aforementioned Special Resolution are given as under;

1. Object of the Issue:

To have complete control over OEHL with full flexibility to align the business and to enable any kind of integration or such other organizational restructuring opportunities.

2. Intention of promoters / directors / key management persons to subscribe:

None of the Promoters / Directors / Key managerial personnel will subscribe to Equity Shares.

3. Pre-issue & Post-Issue Shareholding Pattern of the Company is given below:

Post allotment of Equity Shares under Preferential Allotment, there will be consequential change in the shareholding of the Company:

SI No	Category	PRE ISSUE CAPITAL		POST ISSUE CAPITAL	
		No of Shares held	% of Shareholding	No of Shares held	% of Shareholding
A	Promoters holding				
1	Promoters				
	Indian Promoters	50897440	17.70	50897440	16.93
	Foreign Promoters	4183657	1.46	4183657	1.39
2	Person acting in concert	0	0.00	0	0.00
	Sub - Total	55081097	19.16	55081097	18.32
B	Non-Promoter Holding				
3	Institutional Investors				
a.	Foreign Portfolio Investors	1350384	0.47	1350384	0.45
b.	Banks, Financial Institutions, Insurance Companies (Central/State Gov. Institutions/Non-Government Institutions)	3809511	1.33	3809511	1.27
c.	Any other (please specify)	0	0	0	0.00
d.	Foreign National	39	0.00	39	0.00
	Sub - Total	5159934	1.79	5159934	1.72
4	Others				
a.	Private Corporate Bodies	13652088	4.75	13684588	4.55
b.	Indian Public	184620628	64.22	197734716	65.77
c.	NRI - Non Rept	1259180	0.44	1259180	0.42
d.	Any other (please specify) NBFC registered with RBI	34757	0.01	34757	0.01
e.	Clearing Members	459572	0.16	459572	0.15
f.	Trust	8058	0.00	8058	0.00
g.	NRI	27185243	9.46	27185243	9.04
h.	Fractional Shares	11287	0.00	11287	0.00
i.	IEPF	23562	0.01	23562	0.01
	Sub - Total	227254375	79.05	240400963	79.96
	GRAND TOTAL	287495406	100	300641994	100.00

Proposed time of Allotment:

The Equity Shares shall be allotted within a period of 15 days from the date of receipt of shareholders approval, or in the event of the allotment of Equity Shares requiring approvals or permissions from any regulatory authority or the Central Government, within 15 days from the date of such approvals or permission, as the case may be.

4. The identity of the natural persons who are the ultimate beneficial owners and change of control, if any:

The name of the proposed allottees for 1,31,46,588 Equity Shares and the percentage of expanded capital to be held by them after the proposed allotment of the said Equity Shares as per the said resolution are as under.

SI No	Name of the Proposed Allottee	Category	Pre Holding	% of Pre issued Capital	Proposed allotment	Post issue Shareholding	% of Post issue Capital
1	Abbas Rajabally Bharmal	Non-Promoter	0	0	13000	13000	0.00
2	Amit Bhushan Jha	Non-Promoter	0	0	1199900	1199900	0.40
3	Anand Ramnani	Non-Promoter	0	0	13000	13000	0.00
4	Ashok vittal	Non-Promoter	0	0	64142	64142	0.02
5	Ashwin Chunilal Patel	Non-Promoter	1904	0.00	6500	8404	0.00
6	Brijesh Suryakant Patel	Non-Promoter	0	0	27950	27950	0.01

SI No	Name of the Proposed Allottee	Category	Pre Holding	% of Pre issued Capital	Proposed allotment	Post issue Shareholding	% of Post issue Capital
7	Chandra B Lulla	Non-Promoter	0	0	26000	26000	0.01
8	Deepa Mamtani	Non-Promoter	455	0.00	97500	97955	0.03
9	Deepali Nanda	Non-Promoter	0	0	800800	800800	0.27
10	Doulat Uttamchand Bhojwani	Non-Promoter	24215	0.01	739648	763863	0.25
11	Dr. Yusuf Merchant	Non-Promoter	0	0	32500	32500	0.01
12	Gayathri	Non-Promoter	0	0	500,500	500500	0.17
13	Hamsa Raj B.S.	Non-Promoter	0	0	32500	32500	0.01
14	Harshikaben Arvindbhai Desai	Non-Promoter	0	0	260000	260000	0.09
15	Hiten C Patel	Non-Promoter	0	0	97500	97500	0.03
16	Jagmohan Misra	Non-Promoter	0	0	1,500,070	1500070	0.50
17	Kamal Bose	Non-Promoter	2778061	0.97	257738	3035799	1.01
18	Kavitha Ramnani	Non-Promoter	0	0	6500	6500	0.00
19	Kinnari Amal Patel	Non-Promoter	28548	0.01	26000	54548	0.02
20	Madan Misra	Non-Promoter	10	0.00	1,500,070	1500080	0.50
21	Manivannan .K	Non-Promoter	0	0	3250	3250	0.00
22	Menaka Hinduja	Non-Promoter	0	0	9750	9750	0.00
23	Nagesha	Non-Promoter	195	0.00	485,810	486005	0.16
24	Neelaksh Mahajan	Non-Promoter	0	0	48750	48750	0.02
25	Nilesh Kumarpal Shah	Non-Promoter	0	0	13000	13000	0.00
26	Paramjit Kaur Thind	Non-Promoter	84581	0.03	1552200	1636781	0.54
27	Parvathamma M.R.	Non-Promoter	0	0	13000	13000	0.00
28	Premlata Shirish Dalmia	Non-Promoter	0	0	700,050	700050	0.23
29	Priyank Avanish Rajan	Non-Promoter	0	0	13000	13000	0.00
30	Ravi Goel & Sons - HUF	Non-Promoter	0	0	3250	3250	0.00
31	RRS Shares & Stock Brokers Pvt. Ltd.,	Non-Promoter	0	0	32500	32500	0.01
32	Sathyavathi Balaji	Non-Promoter	0	0	3250	3250	0.00
33	Seetha Subramaniam	Non-Promoter	0	0	32500	32500	0.01
34	Shailaja Patel	Non-Promoter	0	0	64038	64038	0.02
35	Shanta Manohar Khemani	Non-Promoter	514606	0.18	982072	1496678	0.50
36	Suryakant Desaibhai Patel	Non-Promoter	4064	0.00	26000	30064	0.01
37	Umesh Mahendra Shah	Non-Promoter	0	0	32500	32500	0.01
38	Vasantlal Manilal Shah	Non-Promoter	0	0	13000	13000	0.00
39	Vatchala K	Non-Promoter	0	0	16250	16250	0.01
40	Vijayalakshmi	Non-Promoter	0	0	1,199,900	1199900	0.40
41	Vivek Jethani	Non-Promoter	0	0	700,700	700700	0.23

SI No	Name of proposed Allottee	Natural person who are ultimate Beneficial Owner		
1.	RRS Shares & Stock Brokers Pvt. Ltd.,	List of Share Holders		
		Name of the Shareholders	No of Shares	% of holding
		Mr. Jayant R Shah	907,380	33.33
		Mr. Hitanshu R Shah	907,380	33.33
		Mr. Parag B Shah	907,380	33.33
		List of Directors		
		Mr. Jayant R Shah		
		Mr. Hitanshu R Shah		
2.	Ravi Goel & Sons - HUF	Mr. Ravi Goel		

5. Undertakings of the Company:

The Company undertakes to re-compute the price of the specified securities in terms of the provisions of the SEBI (ICDR) Regulations, 2009, where it is required to do so. If the amount payable on account of the re-computation of price is not paid within the time stipulated in the SEBI Regulations, the Equity Shares shall continue to be locked in till the time such amount is paid by the allottees.

6. Issue Price and Relevant Date:

The price at which Equity Shares will be allotted under the Preferential Allotment shall be in accordance with Chapter VII of the SEBI ICDR Regulations and the Companies Act, 2013. As per Chapter VII of the said SEBI (ICDR) Regulations, issue of Equity Shares, on a preferential basis, can be made at a price not less than the higher of the following:

- (a) The average of the weekly high and low of the volume weighted average price of the Equity Shares quoted on the recognized Stock Exchange during the twenty six weeks preceding the Relevant Date; or
- (b) The average of the weekly high and low of the volume weighted average price of the Equity Shares quoted on a Stock Exchange during the two weeks preceding the Relevant Date. For this purpose, "Relevant Date" means the date, thirty days prior to the date of passing of the proposed Resolution.

Accordingly, the Relevant Date for the preferential allotment is 30th August 2018, in terms of Regulation 71 of the SEBI (ICDR) Regulations.

7. Instrument and Number:

The Company is proposing to issue up to 1,31,46,588 Equity Shares to Non-promoters.

8. Change in control:

There shall be no change in management or control of the Company pursuant to the issue of Equity Shares.

9. Lock-in:

The Equity Shares proposed to be offered and allotted in the Preferential Allotment shall be locked-in in accordance with Regulation 78 of Chapter VII of SEBI (ICDR) Regulations.

10. Auditor's Certificate:

The Statutory Auditor's Certificate, as required under Regulation 73(2) of the SEBI (ICDR) Regulations will be made available for inspection at the Registered Office of the Plot No.83, Electronic City, Hosur Road, Bangalore – 560 100 between 10 a.m. and 1 p.m. on all working days (excluding Sunday) up to the date of Annual General Meeting.

11. If the issuer or any of its promoters or directors is a willful defaulter, it shall make the following disclosures: -Not Applicable

The Company has made preferential issue of securities during the Financial year 2017-18 as detail below:

As per the terms approved by the Shareholders at their 25th Annual General Meeting held on 05th September 2017, The Board of directors of the company at their meeting held on 23rd November 2017 has allotted 4,51,75,999 Equity shares of ₹10/ each issued at a price of ₹15/- per share (3,66,01,318 Eq. shares under stock swap basis (other than cash) and 85,74,681 Eq. Shares against loan conversion) to other than promoters on a preferential basis in accordance with provisions specified under Chapter VII of SEBI (ICDR) Regulations, 2009.

As it is proposed to issue and allot the aforesaid securities on preferential allotment basis, special resolution is required to be approved by members pursuant to the provisions of Section 62 of the Companies Act, 2013, other applicable provisions of the Companies Act, 2013 and Chapter VII of the Regulations.

The Board of Directors believes that the proposed preferential issue and allotment of Equity Shares is in the best interest of the Company and its members. Your Directors, therefore, recommend the Special Resolution set out at item no. 5 for your approval.

None of the Directors and Key Managerial Persons or their relatives, in any way, is concerned or interested in the said Resolution.

As and when the Board does take a decision on matters on which it has the discretion, necessary disclosures will be made to the relevant Stock Exchanges on which the Equity Shares are listed under the provisions of the Listing Agreement.

This Explanatory Statement may also be regarded as a disclosure under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Item No 6

Mr. Nanjappaiah Madgondapalli Ramu (DIN: 07268616), Independent Director was appointed at the AGM held on September 05, 2017 in terms of Section 149 (4) of Companies Act, 2013. SEBI has amended the LODR, Regulations, 2015 vide circular dated 9th May 2018 which requires that w.e.f. April 1, 2019, reappointment/continuance of any Non-Executive Director who has attained the age of 75 years should be approved by the shareholders by way of a Special Resolution. In compliance of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2018, and as Mr. Nanjappaiah Madgondapalli Ramu, Non-Executive Independent Director, attained the age of seventy five years. The Board of Directors recommend to the members the proposal to pass a special resolution to enable continuation of Mr. Nanjappaiah Madgondapalli Ramu, Independent Director in his current term. Except Mr. Nanjappaiah Madgondapalli Ramu, Non-Executive Independent Director, none of the other Director/ Key Managerial Personnel, is/are directly or indirectly concerned or interested, financial or otherwise in the resolution. The Directors recommend the resolution for approval by the members as Special Resolution.

By order of the Board
For **OPTO CIRCUITS (INDIA) LIMITED**

Supriya Kulkarni
Company Secretary
Membership No : A22794

Place: Bengaluru
Date: 31st August 2018

OPTO CIRCUITS (INDIA) LIMITED

CIN: L85110KA1992PLC013223

Registered Office: Plot No.83, Electronic City, Hosur Road, Bangalore – 560 100

Website: www.optoindia.com, Email ID: ir@optoindia.com, Email: investorservices@optoindia.com

Tel: 080 – 28521040-41-42, Fax: 080 – 28521094.

ATTENDANCE SLIP

Venue of the meeting: Plot No.83, Electronic City, Hosur Road, Bangalore – 560 100

Date & Time: 29th September 2018 at 10.30 AM

PLEASE FILL ATENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.

Name	
Address	
DP ID	
Client ID*	
Folio No	

*Applicable for investors holding shares in Electronic Form.

I certify that I am the registered shareholders/proxy for the registered shareholder of the Company.

I hereby record my presence at the 26th Annual General Meeting of the Company held on 29th September 2018 at 10.30 AM at the Registered Office situated at Plot No.83, Electronic city, Hosur Road, Bangalore – 560 100.

Signature of Member / Proxy

Note:

1. Electronic Copy of the Annual Report for 2018 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.
2. Physical copy of the Annual Report for 2018 and Notice of the Annual General Meeting along with Attendance Slip and Proxy form is sent in the permitted mode(s) to all members whose e-mail is not registered.



OPTO CIRCUITS (INDIA) LIMITED

CIN: L85110KA1992PLC013223

Registered Office: Plot No.83, Electronic City, Hosur Road, Bangalore – 560 100

Website: www.optoindia.com, Email ID: ir@optoindia.com, Email: investorservices@optoindia.com

Tel: 080 – 28521040-41-42, Fax: 080 – 28521094.

Form No.MGT-11 FORM OF PROXY

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules 2014.

Venue of the meeting: Plot No.83, Electronic City, Hosur Road, Bangalore – 560 100

Date & Time: 29th September 2018 at 10.30 AM

PLEASE FILL THE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.

Name	
Address	
DP ID	
Client ID*	
Folio No	

*Applicable for investors holding shares in Electronic Form.

I/We _____ of _____
Being member/members of Equity Share of Opto Circuits (India) Limited hereby appoints the following:

1. Name: Mr/Mrs _____
Registered address _____
Email ID _____ Signature _____ or
Failing him/her;
2. Name: Mr/Mrs _____
Registered address _____
Email ID _____ Signature _____ or
Failing him/her;
3. Name: Mr/Mrs _____
Registered address _____
Email ID _____ Signature _____ or
Failing him/her;

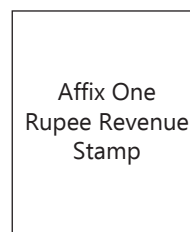
As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on 29th September 2018 at 10.30 AM At Registered Office of the Company Plot No.83, Electronic City, Hosur Road, Bangalore – 560100, any adjournment their off in respect of such Resolutions as are indicated below:

Sl. No.	Resolutions	Number of Shares held	For	Against
1.	Adoption of Audited Financial Statements for the year ended 31 March 2018 and reports of Directors and Auditors thereon.			
2.	Retirement of Mr. Jayesh Chandrakant Patel (DIN: 01338843)			
3.	Appointment of Ms. Rangalakshmi Srinivasa (DIN: 08145970) as Director of the Company.			
4.	Appointment of Ms.Rangalaxmi Srinivasa (DIN: 08145970) as an Independent Director of the Company.			
5.	Issue of further Shares on Stock Swap basis to the Shareholders of Opto Eurocor Healthcare Limited.,			
6.	The continuation of current term of Mr. Nanjappaiah Madgondapalli Ramu (DIN: 07268616) Non-Executive Independent Director.			

This is optional. Please put a tick mark in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he/she should write "abstain" across the boxes against Resolution.

Signature(s) Member(s)

1. _____
2. _____
3. _____



Signed this _____ day of _____ 2018.

Notes:

1. The Proxy to be effective should be deposited at the Registered Office of the Company not less than 48 (FORTY EIGHT HOURS) before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her vote's be used differently, he/she should indicate the number of shares under the columns 'For' or 'Against' as appropriate.

SHAREHOLDERS INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

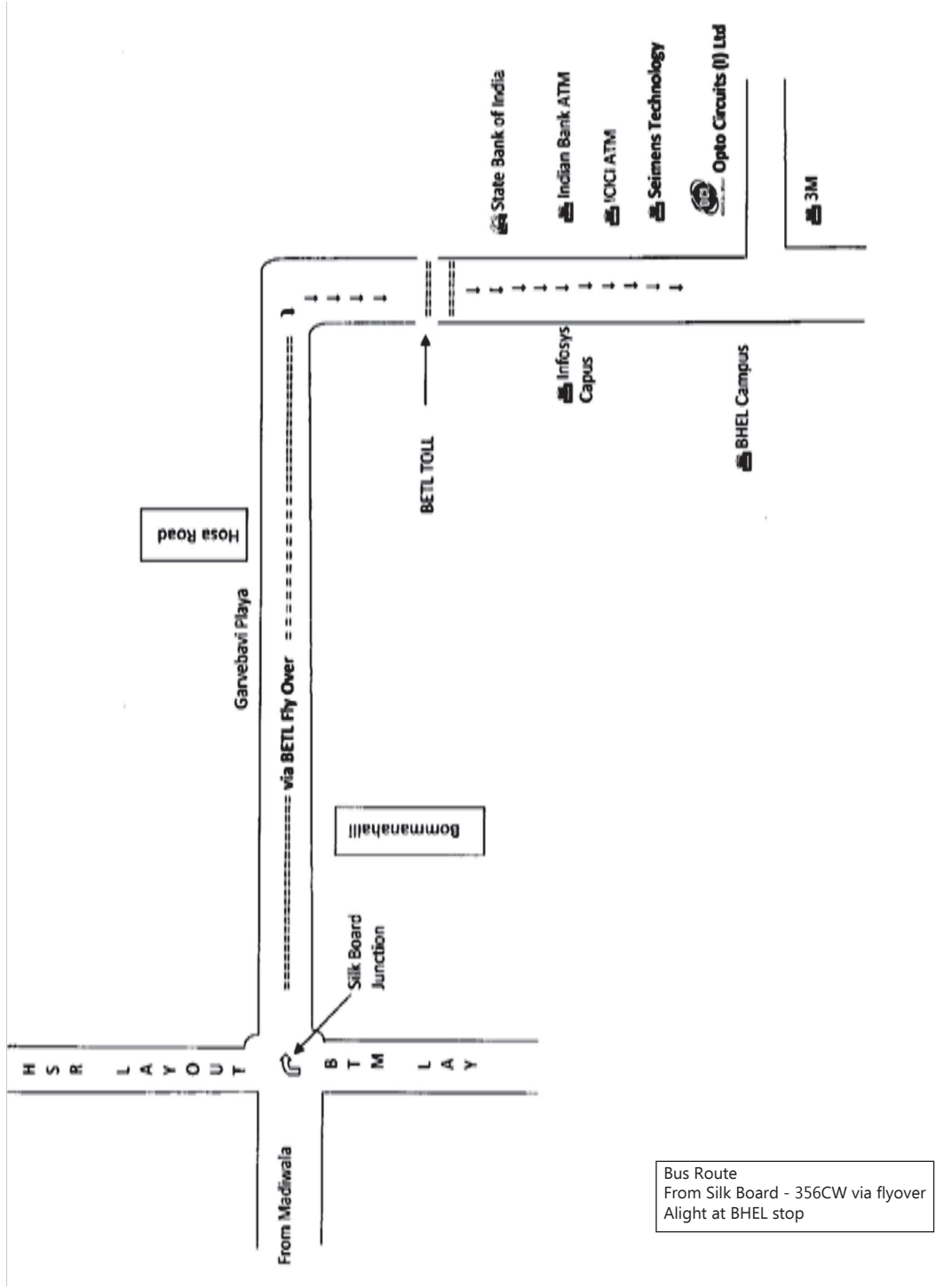
- (i) The voting period begins on 25th September 2018 at 9.00 AM and ends on 28th September 2018 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 21st September 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders / Members
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.
	<ul style="list-style-type: none"> • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login
	<ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xi) Click on the EVSN for the relevant Company Name, i.e Opto Circuits (India) Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

ROUTE MAP





SENSING TECHNOLOGY

ANNUAL REPORT
2017-18

BOARD OF DIRECTORS

Mr.Vinod Ramnani, Chairman
Mr.Somadas G.C, Managing Director
Mr.Jayesh C Patel, Director
Mr.Thomas Dietiker, Director
Dr. Suleman Adam Merchant, Director
Mr.Rajkumar Raisinghani, Director
Mr.Nanjappaiah Madgondapalli Ramu, Director
Ms.Rangalakshmi Srinivasa, Director

CHIEF FINANCIAL OFFICER

Guruprasad. A

COMPANY SECRETARY

Supriya Kulkarni

REGISTERED OFFICE

83, Electronics City,
Bengaluru 560 100, Karnataka, India

AUDITORS

Messrs B.V Swami & Co., Chartered Accountants,
No.6, Commanders Place,
Richmond Circle, RRMR Road,
Bengaluru -560025

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
F: 91 80 2852 1094
E-mail: investorsservices@optoindia.com |

BANKERS

State Bank of India
United Bank of India
IndusInd Bank Ltd.
Standard Chartered Bank
HDFC Bank Ltd.
YES Bank Ltd.
ICICI Bank Limited
The Bank of Nova Scotia

26TH ANNUAL GENERAL MEETING

Day & Date: Saturday, September 29th 2018.
Time: 10:30 AM
Venue: # 83, Electronics City,
Bengaluru 560 100, Karnataka, India

GROUP WEBSITES

www.optoindia.com | www.amdlcorp.com |
www.criticare.com | www.optoinfrastructure.com |
www.devoncath.com | www.eurocor.de |
www.mediainc.com | www.optoeurocor.com |
www.ormedortho.com | www.unetixs.com |

BOARD'S REPORT

Your Board is pleased to present the 26th Annual Report on the business and operations of Opto Circuits (India) Limited, together with the Audited Financial Statements of your Company for the year ended March 31, 2018.

FINANCIAL HIGHLIGHTS :

(₹ in Lakhs)

Particulars for the year ended March 31st	STANDALONE		CONSOLIDATED	
	2018	2017	2018	2017
I. Revenue from operations	6,346.46	5,038.01	22,836.29	21,529.19
II. Other Income	24.57	16.99	120.76	69.51
III. Total Income (I+II)	6,371.03	5,055.00	22,957.05	21,598.70
Expenses				
Cost of materials consumed	2,763.93	2,252.60	10,300.64	9,311.31
Purchase of stock in trade	-	-	114.92	600.70
Changes in inventories of FG, WIP & Stock in trade	6.42	(270.31)	(30.06)	13.29
Employee benefit expenses	766.06	820.53	3,624.94	3,877.01
Finance cost	136.32	785.21	575.99	1,707.14
Depreciation & Amortisation Expenses	906.04	879.45	1,258.70	1,603.40
Other Expenses	791.75	735.09	3,623.38	5,368.04
IV. Total Expenses	5,370.52	5,202.56	19,468.51	22,480.88
V. Profit /(Loss) before exceptional items and tax (III-IV)	1,000.51	(147.56)	3,488.54	(882.18)
VI. Exceptional items	-	36,256.56	(160.29)	49,867.30
VII. Profit /(Loss) before tax (V-VI)	1,000.51	(36,404.13)	3,648.83	(50,749.48)
VIII. Tax Expenses				
1) Current tax	-	-	89.43	81.29
2) Deferred tax	-	-	0.43	0.29
IX. Profit /(Loss) for the period from continuing operations (VII-VIII)	1,000.51	(36,404.13)	3,558.98	(50,830.48)
X. Profit /(Loss) from discontinued operations	-	-	-	-
XI. Tax expenses of discontinued operations	-	-	-	-
XII. Profit /(Loss) from discontinued operations after tax (X-XI)	-	-	-	-
XIII. Profit/(loss) for the period (IX+XII)	1,000.51	(36,404.13)	3,558.98	(50,830.48)
XIV. Other Comprehensive Income/(loss)				
a) Items that will not be reclassified subsequently to profit/loss	-	-	-	-
b) Items that will be reclassified subsequently to profit/loss	-	-	-	-
XV. Total Comprehensive income for the year (XIII+XIV)	1,000.51	(36,404.13)	3,558.98	(50,830.48)
Profit for the year attributable to:				
Shareholders of the company	1,000.51	(36,404.13)	3,462.16	(51,007.24)
Non-Controlling Interests	NA	NA	96.82	176.76
Earnings Per Equity Share				
Basic	0.39	(15.02)	1.34	(21.05)
Diluted	0.39	(15.02)	1.34	(21.05)

COMPANY'S PERFORMANCE ON STANDALONE BASIS

Standalone total revenue was at ₹6,346.46 Lakhs for the financial year ended 31st March 2018 as against ₹5,038.01 lakhs for the corresponding financial year ended March 31, 2017, a incline of 26 %. Standalone profit/ (loss) after tax for the financial year ended 31st March 2018 is at ₹1,000.51 lakhs as against ₹(36,404.13) lakhs for the corresponding period financial year ended March 31, 2017. Earnings per share for the year ended 31st March 2018 is at ₹0.39 Basic.

ON CONSOLIDATED BASIS

Consolidated revenue is at ₹22,836.29 lakhs for the financial year ended 31st March 2018 as against ₹21,529.19 lakhs for the corresponding period of financial year 2017. Consolidated profit after tax for the year ended 31st March 2018 is at ₹3,558.98 lakhs, as against ₹(50,830.48) lakhs for the corresponding period of financial year 2017. Earnings per share for the year ended 31st March 2018 is at ₹1.34 Basic.

DIVIDEND

Your Directors have not recommended any dividend for the year ended 31st March 2018.

TRANSFER OF RESERVE

Your Directors have decided to retain the entire amount of ₹1,000.51 lakhs in retained earnings.

CHANGES IN SHARE CAPITAL

There is no change in the authorized share capital of the Company.

During the year under review, issued and paid up capital stood revised as under:

As per the terms approved by the Share holders at their 25th Annual General Meeting held on September 05, 2017, The Board of director of the company at their meeting held on 23rd November 2017 has allotted 4,51,75,999 Equity shares of ₹10/- each issued at a price of ₹15/- per share (3,66,01,318 Eq. shares under stock swap basis (other than cash) and 85,74,681 Eq. Shares against loan conversion) to other than promoters on a preferential basis in accordance with provisions specified under Chapter VII of SEBI (ICDR) Regulations, 2009.

Consequent to above Preferential Allotment the Paid up Capital is revised as under;

Issued & paid up capital	
Before allotment	₹242,31,94,070/- consisting of 242319407 equity shares of face value of ₹10/- each fully paid.
After allotment	₹287,49,54,060/- consisting of 287495406 equity shares of face value of ₹10/- each fully paid.

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 under Employee Stock Options.

DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES:

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

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES:

During the year under review, the Company continues to have Nine (9) direct subsidiaries. In accordance, with Section 129(3) of the Companies Act, 2013, the Company has 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%20on%20Material%20Subsidiariesx.pdf>

There has been no material change in the nature of the business of the subsidiaries.

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 sensor 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.

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 of developed economies.

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 arising awareness of personal health care.

Overview of Medical Device industry: The Indian medical device market is growing steadily. It was valued at US\$3.5 Billion in 2015 and could expand to approximately US \$4.8 Billion by 2019. As India's economic, healthcare, and social landscapes evolve, its medical device market emerges as a promising opportunity for foreign manufacturers.

Opportunities in the Indian market: India relies on imports to supply its healthcare system with medical technology. The medical tourism and

luxury healthcare markets are among India's fastest-growing industries, which create significant demand for specialized, high-tech medical equipment.

There is consistent demand for surgical instruments, cancer diagnostics, orthopedic and prosthetic equipment, imaging, orthodontic and dental implants, and electro medical equipment.

Industry challenges in India: Medical Device Regulation in India only apply to certain product categories. However, India's underdeveloped regulatory framework is a significant obstacle for foreign manufacturers of regulated device types. The weak rupee makes it difficult for some medical device companies to remain profitable in this market, particularly for manufacturers competing with low-cost Chinese products. Also, foreign manufacturers will also encounter significant competition from American, European, and Japanese companies.

COMPANY OVERVIEW

Opto Circuits (India) Limited is an established global medical devices and technology group with a diversified product portfolio which is headquartered out of Bangalore, India. Your 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. Your Company specializes in vital signs monitoring, emergency cardiac care, vascular treatments and sensing technologies. Your US FDA listed and CE marked products are manufactured in India, Malaysia, Germany and the United States.

Your Company's interventional products include stents, balloons both drug eluting and non-drug eluting and AV shunts used for the treatment of coronary and peripheral arterial diseases, as well as catheters and implants that are inserted in the human body. Your Company has 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, and Genius Magic, Siro Prime, Freeway Shunt Balloon Catheter.

Your Company develops, manufacture, and market a broad range of advanced cardiac diagnostic and therapeutic devices and state of art patient

monitoring systems. Your Company's products include automated patient monitoring devices and services, vital signs monitors, pulse oximeters and peripheral artery disease diagnostic equipment.

Your Company also sells 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 equipments, 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, RevoNCompass, NGenuity, Poet IQ, etc.,

Unitexis Vascular Inc, an Opto Circuits Group Company, is a leader in non invasive technology, has released the next generation MultiLab vascular system, Mlutilab ROODRA is among the first in the industry to provide extreme flexibility and configurability. This one touch, fully functional vascular system provides a 24-inch touch screen monitor on a multi-axis mount for ergonomically correct usage.

Eurocor GmbH, Germany, a Wholly Owned Subsidiary of Opto Eurocor Health Care Limited is an international leader in vascular devices such as stent and Drug Eluting Balloon technology, related services and solutions, recently announced the acquisition of a patent application related to bioresorbable stents.

Bioresorbable stents represent a novel alternative to traditional vascular stent technology. This novel stent design uses a material combination of metal and polymer which combines the advantage of bioresorbable and robust stent properties. The patent grant will bolster the extension of Eurocor Portfolio to include bioresorbable devices, capable of addressing significant new markets and customers globally. Since the launch of the company's [Eurocor GmbH, Germany] patented Drug Eluting Ballon [DEB or DCB] product range, Eurocor has invested in future technology that avoids having to leave metal behind in coronary and peripheral lesions. With the advent of Bioresorbable stents, the company is quite excited to extend its patented and novel product technology and to provide metal free, fully resorbable stent products.

STRENGTHS OF YOUR COMPANY

One of the biggest competitive advantages 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. Your Company's 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 to achieve sales and distribution synergies coupled with economies of scale. The global distribution network is supported by a large team of third- party distributors and highly qualified international team of sales personal spread across Europe, United States and other parts of the world. Your Company's extensive distribution, sales and service network allows to be closer to end-users and enables us to be more responsive to market demand. Your Company has been in the medical devices business since 1992 and have established long-standing relationships with physicians, general practitioners and specialists, clinics and hospitals. Further your company believes 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 ₹229.57 Crores in Financial Year 2017-18 as against Sale of ₹215.98 Crores in Financial Year 2016-17, an Increase of 6% .

This marginal increase is despite the impact and after effects of the hostile takeover of CSC, & CSI reported earlier, and also having substantial erosion of Revenue of Cardiac Care Ltd . Further the disruption of the operations of Criticare Technologies Inc[CTI], step down subsidiary of the Company due to legal procedure and related delays in setting up the facilities after moving the same to Rhode Island in USA and that the benefit of full financial year's business and resultant revenue were badly affected.

Despite the above facts and the softening of European Markets and overall economic slowdown. Further, Opto Eurocor Healthcare Limited and the Standalone entity, the Overall Revenue of the Consolidated entity [Opto Consolidated] witnessed a marginal increase in the Revenue for the financial year 2017-18.

The Company reported an Operating Profit of ₹34.88 Crores for the Financial Year 2017-18, before the exception item as against an Operating Loss of ₹[8.82 Crores] for the Financial Year 2016-17, before the exceptional item.

Exceptional item for the Financial Year 2017-18, was ₹1.60 Crores.

After providing for the above exceptional items, the Company [Consolidated] reported a Net Profit of ₹35.59 Crores for the Financial Year 2017-18, as against a Net Loss of ₹(508.30) Crores in Financial Year 2016-17.

Further the Hostile takeover of two of the overseas Subsidiaries, viz Cardiac Science Corporation, USA[CSC] & Criticare Systems Inc, USA[CSI] by / though DBS Bank Ltd, have dented the Top Line apart from having a huge impact on the Cash flow and non moving stock specifically earmarked for these entities resulting in huge losses.

Company along with its step down subsidiary (Cardiac Science Corporation) had borrowed funds from DBS Bank Ltd. In the year 2014-15 the said loan was restructured and as part of the said process ₹12678.41 lakhs borrowed by the company was also restructured. As per the terms of the agreement with DBS Bank Ltd, upon default by step down subsidiary (Cardiac Science Corporation) the bank exercised their rights and assigned the debts to a third party and also exercised proxy voting rights to take management control of the company. As a result of this the loan borrowed by the company to the tune of ₹12678.41 lakhs stands extinguished. DBS Bank has objected to the stand taken by the Company and also want to classify the loan as red flagged account and recommended for a forensic audit. The banks also have convened a Joint Lender Forum on the above matter.

The Company has raised objections to the stand taken by DBS Bank and moved the Court and obtained a Mandatory Injunction Order [Under Order F.R. NO: O.S. /292/2017 dated 06th March, 2017 from the Hon'ble City Civil Court restraining the Bank [DBS bank] from

- a) Declaring the Company as Willful defaulters
- b) Classifying the company's loan account as sub standard or red flagged account
- c) Appointing/ conducting any forensic audit in the precincts of the company.

The Company also made a claim of USD 160.82 Million against DBS Bank Ltd vide its letter dated 24th January, 2017 and this claim is part of the above petition filed before the Hon'ble Court by the Company and that the matter is sub judice. The Company has also informed all the other lender Banks in the above matter.

The loan liability of Cardiac Science Corporation by secured lender DBS Bank Limited was sold by them to Aurora Capital through its Subsidiary CFS. The Shares of Criticare Systems Inc, had also been pledged to DBS, for additional lines granted by them to DBS. CFS 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. Your Directors are fighting the legal battle against the hostile take over, which may take some time, but are confident that it will be to the benefit of your company and also to its shareholders.

The Company has made a claim of USD 160 Million against DBS Bank dated 24th January, 2017.

The Company also filed a Complaint with the Ombudsman, Reserve Bank of India, Bangalore on DBS Bank 's Action and also

Filed a Memo with Debt Recovery Tribunal[DRT-2] Bangalore in furtherance to the Claims made by the company against DBS Bank Ltd . DRT-2 Bangalore has sought a response from DBS bank and served a Notice under the provisions of Section 28(2) of the DRT Act, calling for disclosures as to the amount received by DBS Bank from Aurora Venture Capital USA. DBS Bank has not complied with DRT Order as of date

The Company thus has sought and taken legal recourse and remedies with the Regulatory Bodies in furtherance to the company's claims as aforesaid and the matter is Sub Judice.

The Company's Vizag's Operations, viz, a division of the company in SEZ, Vizag, continued to be suspended w.e.f April 01, 2017 as an outcome of the losses suffered in Hud- Hud Cyclone in Vizag and that the company's constant efforts to get the

Insurance claim with the Insurance company did not yield positive results. The Company is taking effective steps including legal remedy to have its claims settled with the insurance company and has taken up the matter with IRDA, New Delhi and has been constantly following the same

OPTO CIRCUITS [INDIA] LTD- STANDALONE FINANCIALS.

The Company reported Sales of ₹63.71 Crores for the Financial Year 2017-18, [Previous Financial Year 2016-17' Sales ₹50.55 Crores], an increase of 20.66% over the previous Financial Year, The company reported an operating Profit of ₹10.05 Crores for the Financial Year 2017-18 for the Previous Financial Year, 2016-17, the Operating Loss was ₹(1.47) Crores, before the exceptional items.

The Company reported a Profit before Tax of ₹10.05 Crores for the Financial Year 2017-18 [there being no exceptional items],as against a Net Loss before Tax of ₹(364.04) Crores for the Financial Year 2016-17, [exceptional item for the Financial Year 2016-17 being ₹(362.56) Crores.]

Your Company continues efforts to win more customers and a bigger pie of the existing business, to improve the overall performance.

The Company has borrowings from State Bank of India, HDFC Bank Ltd, Yes Bank Ltd, Standard Chartered Bank Ltd and Bank of Nova Scotia Ltd, for which no provision for interest is made in the financial statements as these Banks have categorized the respective borrowings as NPA. The Company has also lines of Credit and Borrowings from Indusind Bank Ltd which is in operation.

The Management has submitted proposals for One Time Settlement [OTS]/Negotiated Settlement/Compromise Proposal/ Restructuring etc of its Loan portfolios with Standard Chartered Bank Ltd, State Bank of India, HDFC Bank Ltd and Bank of Nova Scotia Ltd.

With Standard Chartered Bank Ltd, based on the proposal for Negotiated Settlement, submitted to SCB Ltd, the company has already Repaid ₹20.79 Crores towards part settlement of the same and the balance of ₹62 Crores in a phased manner [3 years time] as mutually agreed between the company and SCB Ltd.

With State Bank of India, the Company has made a proposal for Compromise Settlement for ₹70 Crores

and that the company has already Paid ₹7 Crores in a phased manner as Upfront Money and for the balance settlement amount of ₹63 Crores, for the banks' Final approval and being followed up on a regular basis.

With HDFC Bank Ltd the company has given a proposal for restructuring of its Loan [NO OTS] wherein the entire loan amount is programmed to be paid in 5 years 3 months time frame in a phased out manner with a security creation and cash flow plans along with the clarifications sought by HDFC Bank had been submitted , awaiting the approval from the bank.

With Bank of Nova Scotia Ltd, the company has submitted proposal for OTS which was rejected, while the Bank has moved through the provisions of SARFAESI Act the security, viz 250 Acres of landed property in SEZ, Hassan. The management is having series of discussions with the bank and offered a few options, including the encashment of the said security / or the sale proceeds /consideration from prospective investors / buyers so of the parcels of lands towards appropriation of the said loan liability as the valuation of the said property would be adequate to meet the loan liability.

The Management is actively pursuing the above OTS/ settlement proposals with the respective banks on an 'on-going' basis.

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 Environmental 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 ₹5599.53 Lakhs in foreign exchange in the year under review.

Foreign Exchange outflow was ₹2284.34 Lakhs.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There were no employees, who were in receipt of more or employed part of Rupees One Crore Two Lakhs or more or employed part of year and in receipt of remuneration in excess of Rupees Eight Lakhs

Fifty Thousand 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) Amendment Rules, 2016.

Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the information on Disclosures pertaining 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) Amendment Rules, 2016, 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 Regulations forms an integral part of this Report. The requisite certificate from the practicing company Secretary confirming compliance with the conditions of corporate governance is attached to the report on corporate governance.

DIRECTORS' RESPONSIBILITY STATEMENT

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS).

YOUR DIRECTORS STATE THAT

- a) In the preparation of the Annual Accounts for the year ended March 31, 2018 the applicable accounting standards 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 were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance the provisions of the Act for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on the going concerns 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 Equity Shares continue to remain listed on BSE Limited and the National Stock Exchange of India Limited., Your Company has paid the listing fees as payable to the BSE Limited and the National Stock Exchange of India Limited., for the financial year 2018-19.

FIXED DEPOSITS

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

DIRECTORS APPOINTMENT

Based on recommendations of Nomination and Remuneration Committee the Board appointed Ms. Ranganalakshmi Srinivasa (holding DIN: 08145970) as an additional Director in the category of Independent Director, with effect from June 06, 2018.

RETIREMENT

Mr. Jayesh Chandrakant Patel (DIN: 01338843) was appointed as a Director of the Company on 3rd April 2000. He is liable to retire by rotation at the 26th Annual General Meeting. Due to his pre-occupation he expressed his desire not to seek re-appointment. The Board places on record its appreciation for the long years of guidance, support and advice rendered by Mr. Jayesh Chandrakant Patel. The vacancy caused

by his retirement is not proposed to be filled up in this meeting.

None of the Independent Directors will retire at the ensuing Annual General Meeting.

At the 23rd Annual General Meeting held on December 31st 2015, Dr. Suleman Adam Merchant (DIN:00475410), was appointed as an Independent Director of the Company to hold office till the conclusion of Annual General Meeting to be held in year 2018. The term of Dr.Suleman Adam Merchant as an Independent Director, comes to an end on conclusion of ensuing 26th AGM.

Due to his pre-occupation he expressed his desire not to seek re-appointment for the second term as an Independent Director of the Company. The Board places on record its appreciation for the guidance, support and advice rendered by Dr.Suleman Adam Merchant, during his tenure as an Independent Director of the Company.

The Company has received notices under section 160 from Member, along with the requisite deposit, signifying intention to propose appointment of Ms.Rangalakshmi Srinivasa. Accordingly, necessary resolutions are being placed for approval of the Members at the 26th Annual General Meeting of the Company.

The Directors seek your support in confirming the appointment of Ms.Rangalakshmi Srinivas as Director in capacity of an Independent Director of the company in the ensuing Annual General Meeting.

RESIGNATION

Dr.Suchitra Misra (DIN: 02254365) resigned as Non Executive Director with effect from close of business hours of April 01, 2018.

The Board places on record contributions made by Dr.Suchitra Misra during her tenure as Director.

DECLARATION BY INDEPENDENT DIRECTOR

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 the provisions of Regulation 16(1) (b) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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.

Based on the confirmation received, none of the Directors are disqualified for being appointed/re-appointed as directors in terms of Section 164 the Companies Act, 2013.

During the year under review, no stock options were issued to the Directors of the Company.

POLICY ON DIRECTORS APPOINTMENT REMUNERATION AND EVALUATION

Your Company has in place, 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. The Policy also contains the evaluation frame work as stipulated under SEBI Listing Regulations, 2015 which mandates that the Board shall monitor and review the Board evaluation frame work. 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 and as per Guidance Note on Board Evaluation issued by the Securities Exchange Board of India, During January 2017.

MEETING OF THE BOARD

Eight Meetings of the Board of Directors were held during the year. For further details, please refer Corporate Governance section in 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,

Stake holders Relationship Committee and Finance Committee.

A detailed note on the composition and scope of the Committee is provided under the Corporate Governance Section in this Annual Report.

AUDITORS

At the 25th Annual General Meeting held on September 05, 2017, members have approved the appointment of M/s. B.V. Swamy & Co., Chartered Accountants, Bengaluru, as Statutory Auditors of the Company.

M/s. B.V. Swamy & Co., Statutory Auditors holds office till the conclusion of the Annual General Meeting to be held in the year 2020.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) for the time being in force).

SECRETARIAL AUDITOR

The Board has appointed Mr. Vijayakrishna K.T., Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed here with marked as Annexure 1 in the Form of MR 3 to this Report. The Board of Directors of the Company here by furnish following explanations and clarifications with respect the observations made by the Secretarial Auditors in their report dated August 31, 2018 under the heading observations in points (a) to (e).

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

- b) The Company has provided loans to Advanced Micronic Devices Limited, a subsidiary, which is making efforts to revive its business operations. The Company will ensure to comply with Section 185 of the Companies Act, 2013.
- c) The Company will ensure & take corrective action to strengthen Secretarial standards & certain provisions of the Act.
- d) 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 disclosure of Related Party transactions as required under Section 134(3)(h) of Companies Act, 2013 in Form AOC 2 is annexed here with marked as Annexure 2.

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 Transaction.pdf>

Your Directors draw attention of the members to Note No.33 to the financial statement which sets out related party disclosures.

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

The particulars of loans, guarantees, and investments have been disclosed in the 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](http://www.optoindia.com/pdf/OCIL-CSR%20Policy.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.

Due to non-availability of profits, the Company was not required to spend any amount on CSR activities during the financial year 2017-18.

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 employee are free to report violations of applicable laws and regulations and the code of conduct, to chief vigilance officer and Audit and Risk Management Committee of the Board. The Company further confirms that no personal have been denied access to the Audit and Risk Management Committee.

The policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link: [http://http://www.optoindia.com/pdf/OCIL - Whistle Blower Policy.pdf](http://http://www.optoindia.com/pdf/OCIL-Whistle%20Blower%20Policy.pdf)

POLICY ON DISCLOSURE OF MATERIAL EVENT AND INFORMATION

Your Company has adopted the Policy on Disclosure of Material Events and information, in accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to determine the events and information which are material in nature and are required to be disclosed to the Stock Exchanges.

The said policy is available on the website of the Company at [http://www.optoindia.com/pdf/OCIL - Policy on Disclosure of Material Event and Informationx.pdf](http://www.optoindia.com/pdf/OCIL-Policy%20on%20Disclosure%20of%20Material%20Event%20and%20Informationx.pdf)

POLICY ON PRESERVATION OF DOCUMENTS AND RECORDS

Your Company has adopted the policy on Preservation of Documents and Records in accordance with Securities and Exchange Board

of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy ensures that the Company complies with the applicable document retention laws, preservation of various statutory documents and also lays down minimum retention period for the documents and records in respect of which no retention period has been specified by any law/rule/regulation. The policy also provides for the authority under which the disposal/ destruction of documents and records after their minimum retention period can be carried out.

EXTRACT OF ANNUAL RETURN

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY.

There have been no material changes and commitments, affecting the financial position of the Company which occurred during between the end of the financial year to which the financial statements relate and the date of 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.

SECRETARIAL STANDARD

The Company compliances with all applicable Secretarial Standards.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY

- a. During the year 2017-18, unclaimed Dividend for financial year 2009-10 ₹6,75,905/- was transferred to the Investor Education and Protection Fund ("IEPF"), as required under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Authority").
- b. During the year 2017-18, 23,562 Equity Shares in respect of which dividend has not been claimed for the final dividend declared in financial year 2009-10 was transferred to the IEPF Authority pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the rules thereunder.

RESPONSE TO AUDITORS OBSERVATIONS

The Board of Directors of the company furnish following response to the Qualifications/ observations made by the Auditors in their Report dated April 30, 2018 for the Standalone Financial Statements and Consolidated Financial Statements.

RESPONSE TO AUDITORS OBSERVATION ON STANDALONE FINANCIAL STATEMENTS

The Board of Directors of the Company response to the Qualifications/ observations made by the Auditors in their Report dated 30th April 2018 for the Standalone Financial Statements under the heading Basis for Qualified Opinion in points [a] to [e.] and Response to Emphasis of Matter [1] & [2]

RESPONSE TO QUALIFIED OPINION:

a-i] Receivables:

The Debtors represent the export bills receivables discounted with the banks and we are pursuing the same with the respective debtors for recovery; Meanwhile, we have also sought the requisite approvals for Write off of the said Receivables over 36 months [₹222.50 Crores] as per the Regulatory requirements with the respective AD banks and also taken up the same with RBI, while we have made a provision for write off the said amounts being considered Doubtful book debt in our Audited Financial Statements.

a-ii] Payables:

With regard to the payables over 3 years, the company had taken up with the vendors and addressed certain inadequacies in the quality specifications with respect to the materials supplies by these vendors and the negotiations are underway to sort these out to arrive at a mutually acceptable settlement. The Company is following up this matter.

b] Investment in subsidiary- Opto Cardiac Care Ltd [OCCL]

b-i] Auditors' Observation is Noted .

b-ii] The company has taken up the matter with the Hon'ble City Civil Court in Bangalore, Karnataka and obtained Mandatory Injunction against DBS Bank Ltd.

Further The Company also made a claim of USD 160.82 Million against DBS Bank Ltd vide its letter dated 24th January, 2017 and this claim is part of the above petition filed before the Hon'ble City Civil Court, Bangalore by the Company, and that the matter is sub-judice. The Company has also informed all the other lender Banks in the above matter.

The Company also has lodged a compliant with The Ombudsman, RESERVE BANK of INDIA, Bangalore and also with Debt Recovery Tribunal -2 [DRT-2] Bangalore on the company's claim against DBS Bank Ltd. DRT Bangalore had sought response / explanations from DBS Bank Ltd in this matter.

Further since the litigation is pending before the US Bankruptcy Courts and that the Company is seeking appropriate legal relief to protect the rights of the share holders. Your company will take a decision to impair the investments when these legal cases are settled.

c] Bank Borrowings-NPA-Negotiated Settlement/ OTS etc:

c-i] Auditors Observation with respect to NPA on bank borrowings noted.

c-ii] With Bank of Nova Scotia Ltd the company has submitted proposal for One Time Settlement which was rejected by the bank. Thereafter Bank of Nova Scotia also has sought legal remedy for recovery of debt under the provisions of SARFAESI Act and the management had offered 'options' inter alia among others to have the said security [viz 250 acres of Landed property in our SEZ, Hassan belonging to one of its subsidiary company, viz Opto Infrastructure Ltd] disposed off to appropriate towards the loan dues / or repay the dues through offers from prospective buyers/ investors in the said SEZ to liquidate the loan. Response from the bank is awaited.

c-iii] With HDFC Bank Ltd, the company has submitted proposals for Restructuring of the loan portfolio and that the company has offered to repay the entire dues [NO OTS] in 5 years & 3 months time frame and the negotiations with the bank are in the final stage.

As regards the Winding Up petitions filed or moved by HDFC Bank Ltd and Bank of Nova Scotia Ltd before the Hon'ble High Court, Karnataka, the company has filed its objections and also copies of the Settlement Proposals [OTS] / or Restructuring of the liabilities before the Hon'ble High Court Karnataka, Bangalore and the company is pursuing the matter through its Legal Counsels.

In the meanwhile, at the last hearing before the Hon'ble High Court Karnataka dated 27th July 2018 on a petition by HDFC Bank for Winding Up of the Company, and as per the Directive and Speaking. Order of the Hon'ble High Court, directing the company to pay ₹50 Lakhs within one week of the Order, the company has paid ₹50 Lakhs on 01st August 2018 to HDFC Bank towards the said Loan.

c-iv] With Standard Chartered Bank Ltd, [SCB] the company has already Repaid ₹20.79 Crores in March 2017, towards part settlement of the Negotiated Settlement and the balance of ₹62 Crores in a phased manner [3 years time] which is approved by the bank [SCB], being Agreement for Negotiated Settlement dated 06th March 2018 and that the company had commenced the repayment program as per the Negotiated Settlement Agreement .

c-v] With State Bank of India, the Company has submitted a Proposal for Compromise Settlement after protracted meetings and discussions for ₹70 Crores and that the company had already repaid ₹7 Crores as Up front money in SBI's designated No Lien Account as per the requirements of the bank [SBI] and the balance ₹63 Crores in 4 quarterly rests. Final Approval from SBI is awaited .

d] Observations of the Auditors is noted. Meanwhile, The Company is taking efforts with a Resurgence & Revival plan to revive the operations and will take stand on this matter during the course of the current financial year.

e] Impairment of Assets-AS 36

The Company continues to battle and survive amidst absence of working capital assistance, in view of the aforesaid facts, while trying its best & managing to repay the banks and to keep the operations of the company running

and to meet the existing order. As mentioned in para [b] as above, there is inadequate working capital funds support for sustaining the operations, the company is not able to allocate further resources for this intangible assets.

EMPHASIS OF MATTER

1] Cardiac Science Corporation USA [CSC] & DBS Bank-Matter

Please see and refer our Response vide point [b-ii] of the Response to Auditors' Qualified Opinion.

2] Standard Chartered Bank [SCB]

Please see & refer our Response to Auditors' qualified opinion in para [c-iv] as above, read with our Note 14 to Audited Accounts wherein as per the said Negotiated Settlement, the differential amount of ₹153.217 Crores had been transferred to Capital Reserve.

RESPONSE TO ANNEXURE TO THE AUDITORS REPORT [CARO] [I] TO [XVII]

[ii] The Company has taken note of the comments by the Auditors and that the company would carryout physical verification of inventories on a half yearly basis from this financial year.

[iii] [a], [b] & [c] The Company had granted unsecured loans to its subsidiaries to meet their working capital requirements and that no interest has been charged since the company is not incurring interest costs.

[viii] with respect to the Auditors Comments and observations in para [viii-a] to the Annexure, this is noted and in future no delays would occur as we ensure compliance of the time lines for making such statutory payments.

[viii b] The said amounts or demands are disputed and we have taken up the matter with CIT Appeals and with the Hon'ble High Court and are being followed up

[ix] Please refer to our Response to Auditors' Qualified Opinion vide para c-i to c-v as above.

[xv] During the Financial Year, the company has issued and allotted on 23rd November 2017,

4,51,75,999 No of Equity Shares [face value of ₹10/- per share] at a premium of ₹5/ per Equity shares [3,66,01,318 Equity Shares under Stock swap basis (other than cash) and 85,74,681 Equity shares against loan conversion] on preferential Allotment basis to Non Promoters, aggregating to ₹67.76 Crores, and that the Paid Up Equity Capital has enhanced from ₹242.31 Crores to ₹287.49 Crores [28,74,95,406 no of Equity Shares of ₹10- each face value]

The said issue and allotment is as per the requirements of the Companies Act and was approved by the Stock Exchanges as per the Listing obligations provisions under Chapter VII SEBI (ICDR) Regulations, 2009 and Regulatory requirements

AUDITORS OBSERVATION ON CONSOLIDATED FINANCIAL STATEMENTS FOR FY 2017-18

The Board of Directors of the Company response to the Qualifications/observations made by the Auditors in their Report dated 30th April 2018 for the Consolidated Financial Statements under the heading Basis for Qualified Opinion in points[1.] to [12] and Response to Annexure to the Auditors Report Point [1] to [13]

RESPONSE TO QUALIFIED OPINION

1. AMDL - Non moving stock :

The company is examining the quality of non moving stock wrt to its subsidiary company, AMDL and would take appropriate action in due course ;

2. Long outstanding Receivables/ Payables

i] Receivables:

The Company is constantly pursuing these long over dues with the Debtors and that the management has taken a stand for provisioning of receivables over 36 months, aggregating to ₹22,250 Lakhs. The company will be sought the requisite Regulatory approvals for write off of these receivables with the respective AD Banks and also with Reserve Bank of India in this respect and await response.

ii] Payables:

With regard to the payables over 3 years,

the company had taken up with the vendors and addressed certain inadequacies in the quality specifications with respect to the materials supplies by these vendors and the negotiations are underway to sort these out to arrive at a mutually acceptable settlement.

2. Advanced Micronic Devices Ltd-

Noted the observation on receivables over 360 days and the company would take effective steps to recover the same wrt to the Overseas Branch of AMDL, viz US Branch and also of AMDL Indian Operations. On payables, the company has taken up with the respective creditors seeking balance confirmation and awaiting response.

3. Investment in Opto Cardiac Care Ltd.- Subsidiary- Opto Cardiac Care Ltd [OCCL]

Auditors' Observation is Noted.

The company has taken up the matter with the Hon'ble Court in Bangalore, Karnataka and obtained Mandatory Injunction against DBS Bank Ltd.

Further The Company also made a claim of USD 160.82 Million against DBS Bank Ltd vide its letter dated 24th January, 2017 and this claim is part of the above petition filed before the Hon'ble Court, Bangalore by the Company and that the matter is is sub-judice. The Company has also informed all the other lender Banks in the above matter.

The Company also has lodged a compliant with The Ombudsman, RESERVE BANK of INDIA, Bangalore and also with Debt Recovery Tribunal -2 [DRT-2] Bangalore on the company's claim against DBS Bank Ltd. DRT Bangalore had sought response / explanations from DBS Bank Ltd in this matter.

Further since the litigation is pending before the US Bankruptcy Courts and that the Company is seeking appropriate legal relief to protect the rights of the shareholders. Your company will take a decision to impair the investments when these legal cases are settled.

4. Bank Borrowings-NPA-Negotiated Settlement/ OTS etc:

4-i] Auditors Observation with respect to NPA on bank borrowings noted.

4-ii] With Bank of Nova Scotia Ltd the company has submitted proposal for One Time Settlement which was rejected by the bank. There after Bank of Nova Scotia also has sought legal remedy for recovery of debt under the provisions of SARFAESI Act and the management had offered 'options' inter alia among others to have the said security [viz 250 acres of Landed property in our SEZ, Hassan belonging to one of its subsidiary company, viz Opto Infrastructure Ltd] disposed off to appropriate towards the loan dues / or repay the dues through offers from prospective buyers/ investors in the said SEZ to liquidate the loan. Response from the bank is awaited.

4-iii] With HDFC Bank Ltd, the company has submitted proposals for Restructuring of the loan portfolio and that the company offered to repay the entire dues [NO OTS] in 5 years & 3 months time frame and the negotiations are in the final stage.

4-iv] As regards the Winding Up petition by HDFC Bank Ltd and Bank of Nova Scotia Ltd before the Hon'ble High Court, Karnataka, the company has filed its objections and also copies of the Settlement Proposals [OTS] before the Hon'ble High Court Karnataka, Bangalore and the company is pursuing the matter through its Legal Counsels.

In the meanwhile, at the last hearing before the Hon'ble High Court Karnataka dated 27th July 2018 on a petition by HDFC Bank for Winding Up of the Company, and as per the Directive and Speaking Order of the Hon'ble High Court, directing the company to pay ₹50 Lacs within one week of the Order, the company has paid ₹50 Lacs on 01st August 2018 to HDFC Bank towards the said Loan.

4-v] With Standard Chartered Bank Ltd, [SCB] the company has already Repaid ₹20.79 Crores in March 2017, towards part settlement of the Negotiated Settlement and the balance of ₹61 Crores in a phased manner [3 years time] which is approved by the bank [SCB], being Agreement for Negotiated Settlement dated 06th March 2018 and that the company had commenced the repayment program as per the Negotiated Settlement Agreement .

4-vi] With State Bank of India, the Company has submitted a Proposal for Compromise Settlement after protracted meetings and discussions for ₹70 Crores and that the company had already paid ₹7 Crores as Up front money in SBI's designated No Lien Account as per the requirements of the bank [SBI] and the balance ₹63 Crores in 4 quarterly rests. Final Approval from SBI is awaited .

5. Advance to AMDL

Advanced Micronic Devices Ltd [AMDL] - Noted.

The Company is making efforts for revival of its operations and will take stand on this matter during the course of the current financial year.

6. Impairment of Non-Current Investment/ Intangible Assets

[i] & [ii] Please refer to our response in para[e] in Opto Circuits Stand alone Response to Auditors' Qualified Opinion.

Further as stated above, there is inadequate working capital funds support for sustaining the operations, the company is not able to allocate further resources for this intangible assets..

7. Advanced Micronic Devices Ltd -USA Branch

Advanced Micronic Devices Ltd has a branch at USA. There is no mandatory requirement for such branch audit in the USA. The company has adequate internal control systems, checks and mechanisms in place and is directly monitoring the same.

8. Advanced Micronic Systems Ltd

Noted . The company is taking effective steps to settle and clear the dues to its employees. The company is also following up the matter in the Hon'ble High Court. Un reconciled tax amount outstanding is out of the receipt of ₹186 Lacs as Tax refund during the year.

9. Loans and Advances to Subsidiary Companies

The Company had granted unsecured loans to its subsidiaries to meet their working capital requirements and that no interest has been

charged since the company is not incurring interest costs.

10. **Auditors Observation is noted .**
11. **Please refer our Response under point 9 as above wrt to Opto Infrastructure Ltd.**
12. **Auditors Observation is noted . please also refer to point no 3 of our Response to Auditors qualified opinion in this respect.**

EMPHASIS OF MATTER

- 1] Please refer Our Response to Auditors' Qualified Opinion – vide point no 3 of the Response.
- 2] Please refer our Response to Auditors' Qualified Opinion- vide point no 4[v] .

Further Please see & refer our Response to Auditors' qualified opinion in para [c-iv] as above, read with our Note 14 to Audited Accounts wherein as per the said Negotiated Settlement, the differential amount of ₹153.21 Crores had been transferred to Capital Reserve.

3[A]& [B] .

Please note that the Unaudited Management Certified Financial Statements for the Financial Year 2017-18 have been incorporated in the respective Holding Companies Consolidated Financial Statements which were Audited by the respective Statutory Auditors of the Respective Holding Companies with their Reports thereto for consolidating in the Indian Listed Holding Company, viz Opto Circuits[India] Limited.

However, Going forward, the company's management/ Board would ensure audit of all the overseas entities/ subsidiaries and render Audited Financial Statements and Reports.

COMMENTS OF THE AUDITORS NOTE INDUSTRIAL RELATIONS

Industrial relations have been cordial and constructive, which have helped your Company to achieve production targets.

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

Your company has always believed in providing a safe and harassment free work place 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 a work place 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 members 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 thanks all our stake holders, customers, vendors, Investors, bankers and other business associates for their continued support and encouragement during the year.

On behalf of the Board of Directors

Vinod Ramnani
Chairman,
(DIN:01580173)

Somadas GC
Managing Director
(DIN:00678824)

Place: Bengaluru
Date: 31st August 2018

Form No. MR-3
ANNEXURE 1 - SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2018

[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
 Bengaluru

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., (CIN:L85110KA1992PLC013223) (here in after 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 31.3.2018 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 31.03.2018 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules regulations made there under 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, 2015
 - (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 (Registrar 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 (Buyback of Securities) Regulations 1998;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) There are no specific laws applicable to the Company pursuant to the business carried by the Company.
- (vii) The other general laws as may be applicable to the Company including the following;
 - (1) Employer/Employee Related laws & Rules:
 - i. Industries (Development & Regulation) Act, 1951
 - ii. The Factories Act, 1948

- iii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
- iv. The Apprentices Act, 1961
- v. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
- vi. The Employees State Insurance Act, 1948
- vii. The Workmen's Compensation Act, 1923
- viii. The Maternity Benefit Act, 1961.
- ix. The Payment of Gratuity Act, 1972
- x. The Payment of Bonus Act, 1965
- xi. The Industrial Disputes Act, 1947
- xii. The Trade Unions Act, 1926
- xiii. The payment of Wages Act, 1936
- xiv. The Minimum Wages Act, 1948
- xv. The Child Labour (Regulation & Abolition) Act, 1970
- xvi. The Contract Labour (Regulation & Abolition) Act, 1970
- xvii. The Industrial Employment (Standing Orders) Act, 1946
- xviii. Equal Remuneration Act, 1976
- xix. Inter State migrant workmen (Regulation of Employment and conditions of services) Act, 1979
- xx. Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1996.
- xxi. Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013
- xxii. The Karnataka Shops & Establishments Act, 1961
- xxiii. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
- xxiv. The Industrial Establishments (National and Festival Holidays) Act, 1963
- xxv. The Labour Welfare Fund Act, 1965
- xxvi. The Karnataka Daily Wage Employees Welfare Act, 2012
- xxvii. For majority of Central Labour Laws the State has introduced Rules [names of the Rules is no included here]

(2) Environment Related Acts & Rules:

- i. The Environment Protection Act, 1986

- ii. The Water (Prevention & Control of Pollution) Act, 1974
- iii. The Water (Prevention & Control of Pollution) Cess Act, 1977
- iv. The Air (Prevention & Control of Pollution) Act, 1981
- v. The Government Order Under Environment (Protection) Act, 1986
- vi. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.
- vii. The Karnataka Ground Water (Regulation for Protection of Sources of Drinking Water) Act, 1999

3) Economic/Commercial Laws & Rules:

- i. The Competition Act, 2002
- ii. The Indian Contract Act, 1872
- iii. The Sales of Goods Act, 1930
- iv. The Forward Contracts (Regulation) Act, 1952
- v. The Indian Stamp Act, 1899
- vi. The Transfer of Property Act, 1882

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

Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS - 2.

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) The Company has not filed financial statements with the Registrar of Companies (ROC) for the year ended 31st March, 2017 within the prescribed time and certain other returns as required under the Act were also not filed/ filed with additional fee.
- b) The Company is in violation of Section 185 of the Act.
- c) Certain returns/registers required to be filed/maintained under the above general laws are not maintained/'filed' within prescribed time.
- d) Compliances on Secretarial Standards and certain provisions of the Act needs to be strengthened.
- e) There were delays in payment of PF and ESI contribution in some months.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Certain non material findings made during the course of the audit relating to Labour Laws were addressed suitably by the Management.

Further I report that with regard to financial and taxation matters, I have relied on the Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/Internal Auditor as the case may be.

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.

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.

Signature: VJAYAKRISHNA K.T.

FCS No.: 1788

C P No.: 980

Place: Bengaluru

Date: 31st August 2018

Note: *This report is to be read with our letter of even date which is annexed as Annexure and forms an integral part of this report.*

'ANNEXURE' -1

My report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including records under Income Tax Act, Central Excise Act, Customs Act, Central and State Sales Tax Act.
4. Where ever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc as applicable from time to time.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Signature: VIJAYAKRISHNA K.T.

FCS No.: 1788

C P No.: 980

Place: Bengaluru

Date: 31st August 2018

Form No. AOC – 2
ANNEXURE – 2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso there to:

1. DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS:

The Company has not entered into any contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during FY 2018.

(a) Name(s) of the related party and nature of relationship:	Not Applicable
(b) Nature of contracts/arrangements/transactions:	Not Applicable
(c) Duration of the contracts / arrangements/transactions:	Not Applicable
(d) Salient terms of the contracts or arrangements or transactions Including the value, if any:	Not Applicable
(e) Justification for entering into such contracts or arrangements or transactions:	Not Applicable
(f) Date(s) of approval by the Board:	Not Applicable
(g) Amount paid as advances, if any:	Not Applicable
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	Not Applicable

2. DETAILS OF MATERIAL CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS:

a. Name(s) of the related party and nature of relationship:	Not Applicable
b. Nature of contracts / arrangements / transactions:	Not Applicable
c. Duration of the contracts / arrangements / transactions:	Not Applicable
d. Salient terms of the contracts or arrangements or transactions including the value, if any:	Not Applicable
e. Date(s) of approval by the Board, if any:	Not Applicable
f. Amount paid as advances, if any:	None

On behalf of the Board of Directors

Vinod Ramnani
Chairman,
(DIN:01580173)

Somadas GC
Managing Director
(DIN:00678824)

Place: Bengaluru
Date: 31st August 2018

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 areas listed in Schedule VII of the Companies Act, 2013 for carrying out its CSR activities. Opto Circuits (India) Limited believes that in alignment with its vision, it will continue to enhance value through its CSR initiatives and promote social sustainability, sustainable development of the environment and social welfare of the people and society at large, more specifically for the deprived and under privileged persons.:

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

2. COMPOSITION OF CSR COMMITTEE

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

SI No	Name	Designation
1	Mr.Rajkumar Raisinghani	Chairman
2	Mr. Vinod Ramnani	Member
3	Dr. Suchitra Misra	Member

3. AVERAGE NET PROFITS

The average net profits, i.e. profits before tax of the Company during the three immediately preceding financial years was (₹19,414.57) Lakhs.

4. PRESCRIBED CSR EXPENDITURE

The prescribed CSR expenditure was ₹ Nil, i.e. 2% of the average net profits mentioned in point 3 above.

5. DETAILS OF CSR SPENT

Due to non-availability of profits, the Company was not required to spend any amount on CSR activities during the financial year 2017-18.

6. RESPONSIBILITY STATEMENT

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

On behalf of the Board of Directors

Vinod Ramnani
Chairman,
(DIN:01580173)

Somadas GC
Managing Director
(DIN:00678824)

Place: Bengaluru
Date: 31st August 2018

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 28521094, E-mail: investorservices@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. ShobhaAnand Assistant General Manager, Tel: 91 040 67161559 Email: 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, 2018	Applicable Section
Advanced Micronic Devices Ltd	India	L30007KA1994PLC015445	Subsidiary	59.71	Section 2(87)
MediaidInc	USA	NA	Subsidiary	100	Section 2(87)
Devon Innovation Pvt Ltd	India	U29297KA1991PTC011705	Subsidiary	100	Section 2(87)
Ormed Medical Technology Ltd	India	U24231TN1990PLC019022	Subsidiary	100	Section 2(87)
Opto Infrastructure Ltd	India	U70102KA2007PLC044004	Subsidiary	87.06	Section 2(87)
Opto Circuits (Malaysia) SdnBhd	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	97.06	Section 2(87)

SHAREHOLDING PATTERN (EQUITY SHSARE 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, 2017				No of Shares held at the beginning of the year March 31, 2018				% Change during the year	
		Demat	Physical	Total	% OF TOTAL SHARES	Demat	Physical	Total	% of Total Shares		
		Column3 (iii)	Column4 (iv)	Column5 (v)	Column6 (vi)	Column7 (VII)	Column8 (VIII)	Column9 (ix)	Column10 (x)		Column11 (xi)
(A)	PROMOTER AND PROMOTER GROUP										
(1)	INDIAN	55196312	0	55196312	22.78	55713442	0	55713442	19.38	3.40	
(a)	Individual /HUF	0	0	0	0.00	0	0	0	0.00	0.00	
(b)	Central Government/State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00	
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00	
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00	
(e)	Others	0	0	0	0.00	0	0	0	0.00	0.00	
	Sub-Total A(1) :	55196312	0	55196312	22.78	55713442	0	55713442	19.38	3.40	
(2)	FOREIGN										
(a)	Individuals (NRIs/Foreign Individuals)	11926150	0	11926150	4.92	6183657	0	6183657	2.15	2.77	
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00	
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00	
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00	
(e)	Others										
	Sub-Total A(2) :	11926150	0	11926150	4.92	6183657	0	6183657	2.15	2.77	
	Total A = A(1)+A(2)	67122462	0	67122462	27.70	61897099	0	61897099	21.53	6.17	
(B)	PUBLIC SHAREHOLDING										
(1)	INSTITUTIONS										
(a)	Mutual Funds /UTI	0	0	0	0.00	0	0	0	0.00	0.00	
(b)	Financial Institutions /Banks	4530944	0	4530944	1.87	4501712	0	4501712	1.57	0.30	
(c)	Central Government / State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00	
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00	
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00	
(f)	Foreign Institutional Investors	371578	0	371578	0.15	0	0	0	0.00	0.00	

CATEGORY CODE	CATEGORY OF SHAREHOLDER	No of Shares held at the beginning of the year March 31, 2017			No of Shares held at the beginning of the year March 31, 2018			% Change during the year		
		Demat	Physical	Total	% OF TOTAL SHARES	Demat	Physical		Total	% of Total Shares
	Foreign Portfolio Investors	0	0	0	0.00	491242	0	491242	0.17	-0.17
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	
(i)	Others	0	0	0	0.00	0	0	0	0.00	
	FOREIGN NATIONALS	39	0	39	0.00	39	0	39	0.00	0.00
	Sub-Total B(1) :	4902561	0	4902561	2.02	4992993	0	4992993	1.74	0.29
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	16900077	3867	16903944	6.98	13059183	3864	13063047	4.54	2.43
(b)	Individuals									
	(i) Individuals holding nominal share capital upto Rs.1 lakh/2 lakhs	90074796	283513	90358309	37.29	82126485	273006	82399491	28.66	8.63
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh/2 lakhs	43975205	293697	44268902	18.27	93662588	293697	93956285	32.68	-14.41
(c)	Others	0	11287	11287	0.00	0	11287	11287	0.00	0.00
	NON RESIDENT INDIANS	16675607	341312	17016919	7.02	20528873	341315	20870188	7.26	-0.24
	CLEARING MEMBERS	542177	0	542177	0.22	613591	0	613591	0.21	0.01
	Non Resident Indian Non Repatriable	1069831	0	1069831	0.44	9541928	0	9541928	3.32	-2.88
	TRUSTS	4558	0	4558	0.00	28058	0	28058	0.01	-0.01
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
	NBFCs Registered with RBI	118457	0	118457	0.05	97877	0	97877	0.03	0.01
	IEPF				0.00	23562	0	23562	0.01	-0.01
	Sub-Total B(2) :	169360708	933676	170294384	70.28	219682145	923169	220605314	76.73	-6.46
	Total B = B(1)+B(2) :	174263269	933676	175196945	72.30	224675138	923169	225598307	78.47	-6.17
	Total (A+B) :	241385731	933676	242319407	100.00	286572237	923169	287495406	100.00	0.00
(C)	Shares held by custodians, against which Depository Receipts have been issued	0	0	0	0.00	0	0	0	0.00	0.00
(1)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	241385731	933676	242319407	100.00	286572237	923169	287495406	100.00	0.00

(II) SHAREHOLDING OF PROMOTERS

Name of the Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			
	No of Shares	% of total shares of the Company	% of Shares pledged/ encumbered to total shares	No of Shares	% of total shares of the Company	% of Shares pledged/ encumbered to total shares	% Change in shareholding during the year
Column1	Column2	Column3	Column4	Column5	Column6	Column7	Column8
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
VINOD RAMNANI	34043581	14.05	0.00	34143581	11.88	0	-2.17
THOMAS DIETIKER	11926150	4.92	0.00	6183657	2.15	0	-2.77
JAYESH PATEL	11567555	4.77	0.00	11354685	3.95	0	-0.82
USHA VINOD RAMNANI	9585176	3.96	0.00	10215176	3.55	0	-0.40
TOTAL	67122462	27.70	0.00	61897099	21.53	0	-6.17

(III) CHANGE IN SHAREHOLDING OF PROMOTERS

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
Column1	Column2	Column3	Column4	Column5
(i)	(ii)	(iii)	(iv)	(v)
VINOD RAMNANI	34043581	14.05	34043581	14.05
Purchased on 14.08.2017	100000	0.04	34143581	11.88
USHA VINOD RAMNANI	9585176	3.96	9585176	3.96
Interse Transfer on 06.05.2017	500000	0.21	10085176	4.16
Purchased on 17.05.2017	30000	0.01	10115176	4.17
Purchased on 14.03.2018	15000	0.01	10130176	3.52
Purchased on 15.03.2018	21000	0.01	10151176	3.53
Purchased on 16.03.2018	40000	0.01	10191176	3.54
Purchased on 19.03.2018	24000	0.01	10215176	3.55
JAYESH PATEL	11567555	4.77	11567555	4.77
Sold on 16.03.2018	45000	0.02	11522555	4.01
Sold on 19.03.2018	7636	0.00	11514919	4.01
Sold on 20.03.2018	70876	0.02	11444043	3.98
Sold on 21.03.2018	33467	0.01	11410576	3.97
Sold on 22.03.2018	55891	0.02	11354685	3.95
THOMAS DIETIKER	11926150	4.92	11926150	4.92
Sold from 03.04.2017 to 27.03.2018	5742493	0.02	6183657	2.15

(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)
ANNA THOMAS CHACKO	2111453	0.87	8256227	2.87
PUSHPA BOSE	2778061	1.15	0	0.00
VALIVETI BHASKAR	2363407	0.98	10938088	3.80
GAUTAM GUMNANI	1982500	0.82	0	0.00
LIFE INSURANCE CORPORATION OF INDIA	1768636	0.73	3320434	1.15
AVINA GOBIND GUMNANI	0	0.00	5725419	1.99
GOBIND GUMNANI	0	0.00	5422513	1.89

(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
MR. VINOD RAMNANI	34043581	14.05	34143581	11.88
MR. THOMAS DIETIKER	11926150	4.92	6183657	2.15
MR. JAYESH PATEL	11567555	4.77	11354685	3.95
DR. SULEMAN ADAM MERCHANT	280160	0.12	605160	0.21
MR. RAJKUMAR RAISINGHANI	93700	0.04	119700	0.04
DR. SUCHITRA MISRA	81	0.00	81	0.00
MR. SOMADAS G.C.	0	0.00	0	0.00
MR. NANJAPPAIAH MADGONDAPALLI RAMU	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**

Amount in ₹ Lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I. Principle Amount	56,549.51	3,388.69	-	59,938.20
II. Interest due but not paid	3,667.09	-	-	3,667.09
III. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	60,216.60	3,388.69	-	63,605.29

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	(15,804.78)	(1,673.87)	-	(17,478.65)
Net Change	(15,804.78)	(1,673.87)	-	(17,478.65)
Indebtedness at the end of the financial year				
I. Principle Amount	43,602.71	1,714.82	-	45,317.53
II. Interest due but not paid	809.11	-	-	809.11
III. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	44,411.82	1,714.82	-	46,126.64

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

A. Remuneration of Managing Director

Amount in Lakhs

Particulars of remuneration	MD	WTD	CEO & Manager	Total Amount
1. Gross Salary				
(a) Salary as per provisions contained in Section 17(1) of the Income- tax Act,1961	78.00	-	-	78.00
(b) Value of perquisites u/s 17 (2) 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 (A)	78.00	-	-	78.00
Ceiling as per the Act	As per schedule V of the Companies Act, 2013			

Above mention Managing Director's remuneration has not been paid.

Particulars of remuneration	Name of Directors		
	Dr. Suleman Adam Merchant	Mr. Rajkumar Raisinghani	Mr. Nanjappaiah Madgondapalli Ramu
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	Ms. Suchitra Misra	
Fee for attending Board Committee meetings	Nil	Nil	
Commission	Nil	Nil	
Others, Please Specify	Nil	Nil	
Total (2)	Nil	Nil	
Total (1+2)	Nil	Nil	
Total Managerial Remuneration (A+B)	Nil	Nil	
Overall Ceiling as per the Act,			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WHOLE-TIME DIRECTOR

(₹ in Lakhs)

Particulars of remuneration	CFO	CS	Total Amount
1. Gross Salary	24.88	14.93	39.81
(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,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	24.87	14.93	39.81

Penalties/ Punishment/ Compounding of offences:

There were no material penalties/ punishment/ compounding of offences for the year ended March 31, 2018.

REPORT ON CORPORATE GOVERNANCE

PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

Corporate governance is creation and enhancing long-term sustainable value for the stakeholders through ethically driven business process. At Opto Circuits (India) Limited, it is imperative that our Company affairs are managed in a fair and transparent manner. We at Opto Circuits (India) Limited, ensure that we evolve and follow the corporate governance guidelines and best practices. We consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance as well as the leadership and governance of the Company. In accordance with the Opto Circuits (India) Limited, Group Vision, Opto Circuits Group ('the Group') aspires to be the global Medical Industry benchmark for value creation and corporate citizenship. The Group expects to realize its Vision by taking such actions as may be necessary in order to achieve its goals of value creation, safety, environment and people.

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.

SL. No	Name & Category	Date of Original Appointment	No of Board Meetings Attended	No of Membership on the Board of other Companies	Memberships of Board Committees in all Companies	Chairmanship of Board Committees in all Companies	Whether last AGM Attended
1	Mr. Vinod Ramnani Promoter	08.06.1992	08	01	02	Nil	Yes
2	Mr. SomadasG.C. Managing Director	26.04.2016	08	04	05	03	Yes
3	Mr. Jayesh C Patel Promoter	03.04.2000	01	Nil	Nil	Nil	No
4	Mr. Thomas Dietiker Promoter	03.04.2000	01	Nil	Nil	Nil	No
5	Dr. Suleman Adam Merchant Independent	20.08.2001	01	01	Nil	Nil	No
6	Mr. Rajkumar Raisinghani Independent	31.12.2005	08	02	05	04	Yes
7	Dr. Suchitra Misra Non Executive	31.03.2015	08	02	03	Nil	Yes
8	Mr. Nanjappaiah Madgondapalli Ramu Independent	05.09.2017	08	01	01	01	Yes

Note:

- None of the Directors of your Company are related to each other.
- *Membership across all companies excluding private Companies, Foreign companies and companies under section 8 of the Companies Act, 2013.
- **Chairmanship and membership of Audit & Risk Management Committee and Stakeholders Relationship Committee only
- Dr. Suchitra Misra ceased to be a Director of the Company with effect from 01.04.2018.

BOARD OF DIRECTORS

Composition and provisions as to Board and Committees

As at March 31, 2018, the Board of Directors of our Company comprises 8 (Eight) Directors, Mr. Vinod Ramnani (DIN: 01580173) is the Chairman & Mr. Somadas G.C.(DIN: 00678824) is the Managing Director.

During the Financial Year 2017-18, 08 (Eight) Board Meetings were held on:

S No	Date of Meeting	SI No	Date of Meeting
01	16.04.2017	05	05.09.2017
02	21.04.2017	06	14.11.2017
03	30.05.2017	07	23.11.2017
04	01.08.2017	08	30.01.2018

The necessary quorum was present for all the Meetings. The maximum interval between any two meetings did not exceed 120 days.

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:

APPOINTMENT / RE-APPOINTMENT

Based on recommendations of Nomination and Remuneration Committee Board of Directors has approved the appointment of Ms.Rangalakshmi Srinivasa (holding DIN: 08145970) as an additional Director in the category of Independent Director, with effect from June 06, 2018.

At the 23rd Annual General Meeting held on December 31, 2015, Dr. Suleman Adam Merchant (DIN:00475410), was appointed as an Independent Director of the Company to hold office till the conclusion of Annual General Meeting to be held in year 2018. The term of Dr.Suleman Adam Merchant as an Independent Director, comes to an end on conclusion of ensuing 26th AGM.

Due to his pre-occupation he expressed his desire not to seek re-appointment for the second term as an Independent Director of the Company.The Board places on record its appreciation for the guidance, support and advise rendered by Dr.Suleman Adam Merchant, during his tenure as an Independent Director of the Company.

Mr. Jayesh Chandrakant Patel (DIN:01338843) was appointed as a Director of the Company on 3rd April 2000. He is liable to retire by rotation at the 26th Annual General Meeting.Due to his pre-occupation he expressed his desire not to seek re-appointment. The Board places on record its appreciation for the long years of guidance, support and advise rendered by Mr. Jayesh Chandrakant Patel.The vacancy caused by his retirement is not proposed to be filled up in this meeting.

Brief resume of the Director seeking appointment at the Annual General Meeting, as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Companies Act, 2013, forms part of the Notice convening the Annual General Meeting.

CODE OF CONDUCT:

The Board of Directors of your Company has laid down a code 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 and 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.

COMMITTEE OF THE BOARD

The Board has constituted Committees with specific terms of reference/scope to focus effectively on issues and ensure expedient resolution of diverse matters.

The company has following :

Five sub-committees of the Board as at March 31, 2018.

1. Audit and Risk Management Committee.
2. Nomination and Remuneration Committee.
3. Stakeholders' Relationship Committee.
4. Corporate Social Responsibility Committee.
5. Finance Committee.

AUDIT AND RISK MANAGEMENT COMMITTEE:

- (i) The Company has qualified and Independent Audit and Risk Management Committee with 3 (Three) members.
- (ii) The Audit and Risk Management Committee of your Company comprises of following members.

Name of Member	Designation
Mr. Nanjappaiah Madgondapalli Ramu	Chairman
Mr. Rajkumar Raisinghani	Member
Dr. 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.

The terms of reference, roles and responsibilities of the Committee are as follows:

1. Oversight of the Company's financial reporting process and 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 statements of use / 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 documents/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, whenever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, the management, performance of statutory and internal auditors, and 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 matter 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 of scope of audit as well as post-audit discussion to ascertain any area of concerns;
17. To look into the reasons for 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 to 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 financial year 2017-18. The attendance is as follows:

Name	No of Meetings Attended
Mr. Nanjappaiah Madgondapalli Ramu	04
Mr. Rajkumar Raisinghani	04
Dr. Suchitra Misra	04

The requirements regarding number of Meetings to be held, quorum and the time gap between two meetings were in accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

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 Regulations. 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 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) 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;

Name of Member	Designation
Mr. Rajkumar Raisinghani	Chairman
Dr. Suchitra Misra	Member
Mr. Nanjappaiah Madgondapalli Ramu	Member

- 4 [Four] Nomination and Remuneration Committee meetings were held during the Financial Year 2017-18. The attendance is as follows:

Name	No of Meetings Attended
Mr. Rajkumar Raisinghani	04
Mr. Somadas G.C.	01
Dr. Suchitra Misra	04
Mr. Nanjappaiah Madgondapalli Ramu	03

(iv) Remuneration Policy:

The Nomination Remuneration and Evaluation Policy contain the criteria for evaluation of the Board, Committees and other individual Directors. The Policy is also available on the website of the Company.

- a) Payment of remuneration to the executive director is in terms of provisions of Companies Act, 2013 read with applicable Rules and Schedules.

Amount in Lakhs

Name of the Director	Salary	Perquisites	Total
Mr. Vinod Ramnani	-	-	-
Mr. Somadas GC	78.00	-	78.00
Mr. Jayesh C Patel	-	-	-
Mr. Thomas Dietiker	-	-	-
Dr. Suleman Adam Merchant	-	-	-
Mr. Rajkumar Raisinghani	-	-	-
Dr. Suchitra Misra	-	-	-
Mr. Nanjappaiah Madgondapalli Ramu	-	-	-

- 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. Somadas GC.
- d) The notice period and the severance fee applicable to Managing Director are as follows:
- I. No notice for termination needs to 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 to be given by the Company.
 - IV. The Chairman and Managing Director may resign after two years from the date of appointment by given 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 Regulations.

Terms of Reference are as follows:

- (i) The Stakeholders Relationship 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 Stakeholders Relationship Committee consists of the following Directors:

SI No	Name	Designation
1.	Mr. Rajkumar Raisinghani	Chairman
2.	Dr. Suchitra Misra	Member
3.	Mr. Vinod Ramnani	Member

During the year, 1 [One] meeting was held and the attendance was as follows:

Name of the Member	No of Meeting Attended
Mr. Rajkumar Raisinghani	01
Dr. Suchitra Misra	01
Mr. Vinod Ramnani	00

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").

(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.

Name of the Member	Designation
Mr. Rajkumar Raisinghani	Chairman
Mr. Vinod Ramnani	Member
Dr. Suchitra Misra	Member

During the year 1 [One] meeting was held and the attendance was as follows:

Name of the Member	No of Meeting Attended
Mr. Rajkumar Raisinghani	01
Mr. Vinod Ramnani	01
Dr. Suchitra Misra	00

FINANCE COMMITTEE:

The company has constituted Finance Committee.

The Finance Committee consists of the following Directors:

Name of the Member	Designation
Mr. Vinod Ramnani	Chairman
Mr. Rajkumar Raisinghani	Member
Mr. Somadas G.C.	Member

Note: Mr. Somadas G.C. Director of the Company has been inducted as Member of the Finance Committee in place of Mr. Jayesh C Patel, with effect from 5th September 2017.

Terms of reference are as follows:

- (i) 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 Committees.

During the year 05 (Five) meeting was held and the attendance was as follows:

Name of the Member	No of Meeting Attended
Mr. Vinod Ramnani	05
Mr. Rajkumar Raisinghani	05
Mr. Somadas G.C.	02

- (ii) Ms. Supriya Kulkarni, Company Secretary, acts as a Compliance Officer.
- (iii) During the financial year, the total numbers of complaints received from the Stakeholders were 13 [Thirteen].
- (iv) Number of Complaints replied / attended to the satisfaction of Stakeholders were 13 [Thirteen].
- (v) No request for transfer and for dematerialization for approval as on 31st March 2018.

GENERAL MEETINGS:

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

Financial year	2014-15	2015-16	2016-17
Date, time and venue	31 st December 2015 12.00 Noon Opto Circuits (India) Ltd, No.83, Electronic City, Hosur Road, Bangalore – 560 100	7 th September 2016 11.30 AM Opto Circuits (India) Ltd., No.83, Electronic City, Hosur Road, Bangalore – 560 100.	5 th September 2017 11.00 AM Opto Circuits (India) Ltd., No.83, Electronic City, Hosur Road, Bangalore – 560 100
Special Resolutions passed	Ratification of related party transaction.	(i) Issue of further shares on Stock Swap Basis to the Shareholder (ii) Issue of further shares on preferential basis to promoter and Associates.	(i) Appointment of Mr. Somadas G.C (DIN:00678824) as Managing Director of the Company (ii) Re-appointment of Mr. Rajkumar Raisinghani (DIN:01411084) as an Independent Director (iii) Issue of further Shares on Stock Swap basis to the Shareholders of Opto Eurocor Healthcare Limited. (iv) Issue of further shares on preferential basis to Associate.

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

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.

As required under regulation 23 of Listing Regulations, the Company has adopted a policy on Related Party Transactions. The policy on Related Party Transactions is

available on the company's website at <http://www.optoindia.com/OCIL.%20-%20>

Apart from receiving remuneration, none of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. During the Financial Year 2017-18, no transactions of material nature were entered into by the Company with the Management or their relatives that may have a potential conflict of interest with the Company and the concerned officials have given undertakings to that effect as per the provisions of the Listing Regulations.

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 Exchange 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 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 and Risk Management committee of the Board. The Company further confirms that no personal have been denied access to the Audit and Risk Management committee.

- IV. All the mandatory requirements of Corporate Governance Clauses have been complied with by the Company and the Company has not adopted the other non-mandatory requirements as specified.
- 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 treatment: 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 directors' vis-à-vis the Company.
- X. No significant material transaction has been made with the non-executive directors' vis-à-vis the Company.
- XI. The number of Shares held by the Directors as on 31st March 2018 are as follows:

Name	No of Shares	% of Holding
Mr. Vinod Ramnani	34143581	11.88
Mr. Jayesh C Patel	11354685	3.95
Mr. Thomas Dietiker	6183657	2.15
Dr. Suleman Adam Merchant	605160	0.21
Mr. Rajkumar Raisinghani	119700	0.04
Dr. Suchitra Misra	81	0.00 (Negligible)

Mr. Somadas G.C.	0	0.00
Mr. Nanjappaiah Madgondapalli Ramu	0	0.00

(i) CEO/CFO Certification

CEO/CFO has given a certification to the Board as contemplated in Listing Regulations.

MEANS OF COMMUNICATION

- a) 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 Business Standard, Times of India, 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 Corporate. All periodical compliance filings like Share holding pattern, 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 Corporate. All periodical compliance filings like share holding pattern, 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 compliant and its current status.

MANAGEMENT DISCUSSION ANALYSIS:

The management discussion and analysis report is part of the Annual Report and is captioned "Management Discussion and Analysis" in the Board's Report.

GENERAL SHAREHOLDER INFORMATION

(I) Annual General Meeting	
Date & Time	29th September 2018 at 10.30 AM
Venue	Plot No.83, Electronic City, Hosur Road, Bangalore – 560 100.
(ii) Financial Calendar (Tentative)	
Results	Reporting
Quarter 30th June 2018	On or before 14th August 2018
Quarter 30th September 2018	On or before 14th November 2018
Quarter 31st December 2018	On or before 14th February 2019
Quarter 31st March 2019	On or before 30th May 2019
AGM for approval of the Audited accounts for the year ended 31st March 2019	On or before 30th September 2019
Financial year	1st April to 31st March
(iii) Details of Book Closure	25th September 2018 to 29th September 2018 (both days inclusive)
(iv) Dividend payment	Nil
(v) Listing of Equity Shares on Stock Exchanges	BSE Limited, PhirozeJeejeebhoy Towers, Dalal Street, Fort, MUMBAI – 400 001 National Stock Exchange of India Limited., Exchange Plaza, BandraKurla Complex, Bandra (E), MUMBAI – 400 051
(vi) Stock Code	
a) Bombay Stock Exchange Code National Stock Exchange Code	532391 OPTOCIRCUI
b) Demat ISIN Number in NSDL and CDSL for equity shares	INE808B01016
c) Listing fee	Paid
(vii) CIN	L85110KA1992PLC013223

(vii) Stock Market Date:

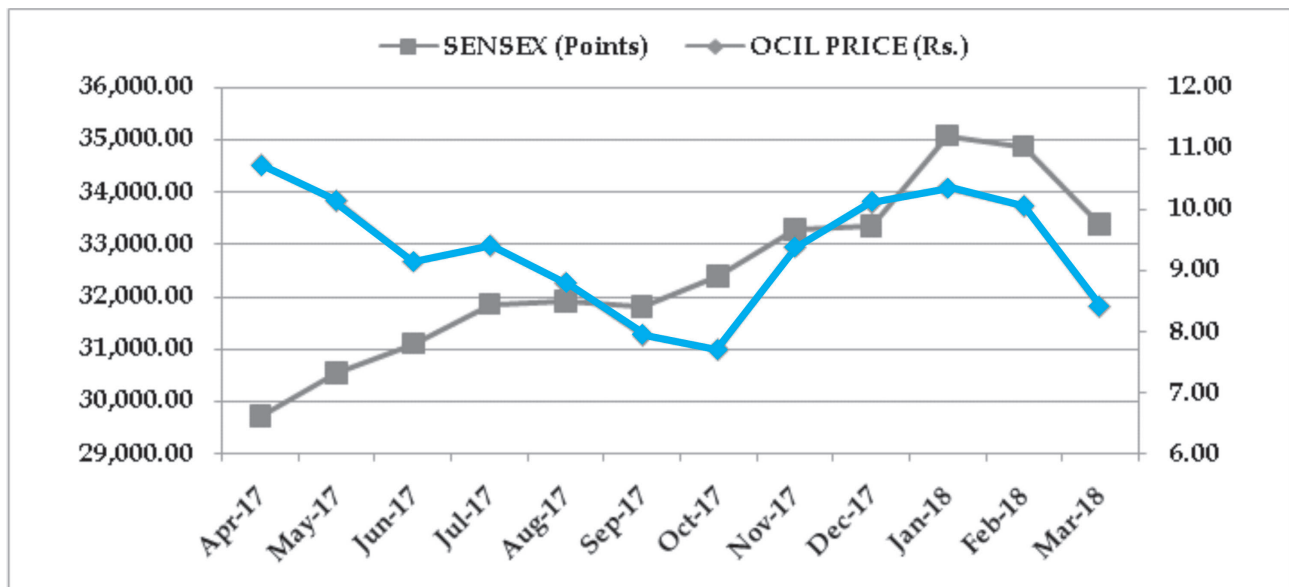
High and Low quotation at BSE Ltd and National Stock Exchange of India Ltd and number of shares traded:

Month	BSE Prices			NSE Prices		
	High	Low	Volume (No)	High	Low	Volume (No)
April 2017	12.24	9.21	12282	12.30	9.20	32392853
May 2017	11.11	9.17	7664	11.20	9.10	18324067
June 2017	9.70	8.60	4954	9.70	8.65	12694769
July 2017	10.14	8.66	5913	10.15	8.65	16221784
August 2017	10.25	7.30	5611	10.30	7.45	15360335
September 2017	8.44	7.42	2940	8.50	7.45	11737459

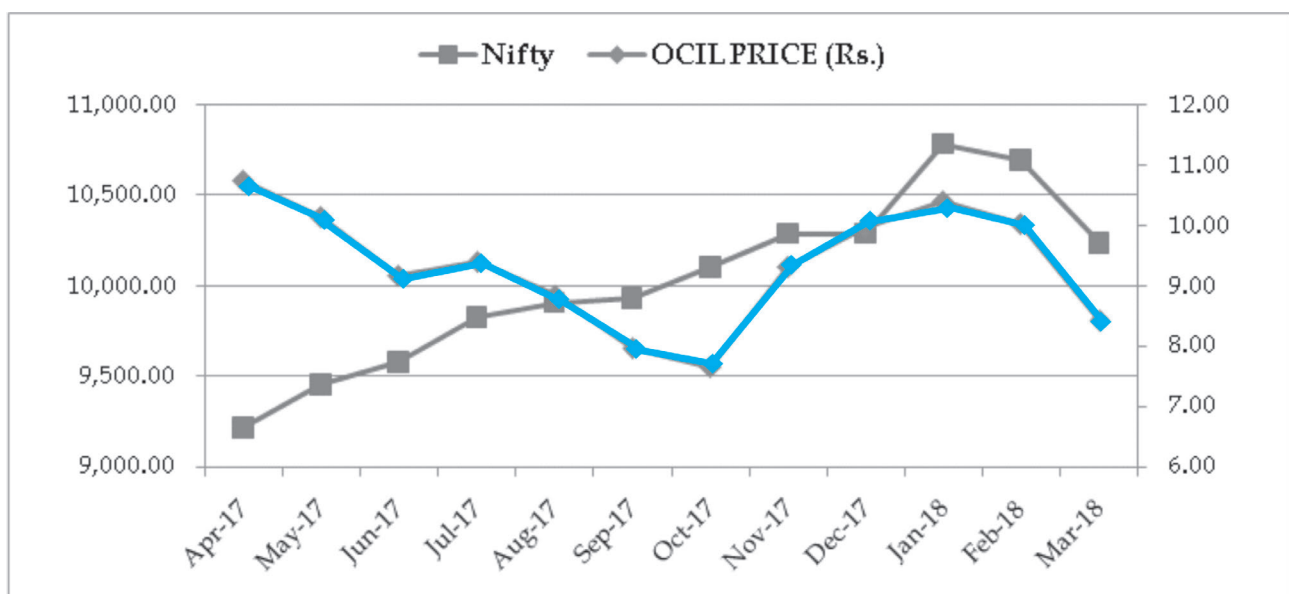
Month	BSE Prices			NSE Prices		
	High	Low	Volume (No)	High	Low	Volume (No)
October 2017	8.55	6.84	4389	8.50	6.80	15408339
November 2017	11.75	7.02	23905	11.70	6.95	54911326
December 2017	11.50	8.70	7130	11.45	8.50	12743230
January 2018	11.50	9.20	6715	11.50	9.30	12975161
February 2018	11.20	8.90	3540	11.15	8.90	9733698
March 2018	9.18	7.62	3432	9.25	7.60	9226246

(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)

BSE LIMITED



NATIONAL STOCK EXCHANGE OF INDIA LIMITED



(ix) Registrar and Transfer Agents

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

Karvy Computer Share Private Limited.,

Karvy Selenium Tower B, Plot 31-32,
Gachibowli, Financial District, Nanakramaguda,
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 respect. The share transfers/transmissions are approved by Stakeholders Relationship Committee.

(xi) Distribution of Shareholding as on 31st March 2018

SI No	Category		No of Shareholders	% of Shareholders	Amount in ₹	% of Shareholding
	From	To				
1	01	500	56485	62.55	104284170.00	3.63
2	501	1000	13620	15.08	114921760.00	4.00
3	1001	2000	8651	9.58	137298820.00	4.78
4	2001	3000	3442	3.81	89306690.00	3.11
5	3001	4000	1768	1.96	63961050.00	2.22
6	4001	5000	1680	1.86	80560690.00	2.80
7	5001	10000	2464	2.73	184486330.00	6.42
8	10001	Above	2199	2.43	2100134550.00	73.05
	Total		90309	100.00	2874954060.00	100.00

Categories of Shareholdings as on 31st March 2018.

SI No	Description of Holders	No of Shareholders	No of shares	% of Equity
1	Banks	02	750776	0.26
2	Clearing Members	66	613591	0.21
3	Employees	72	42863775	14.91
4	Foreign Nationals	01	39	0.00
5	Foreign Promoters	01	6183657	2.15
6	Foreign Portfolio Investors	06	491242	0.17
7	Hindu Undivided Family	2302	7234370	2.52
8	Indian Financial Institutions	03	3750936	1.30
9	Indian Promoters	03	48897440	17.01
10	Bodies Corporate	633	13063047	4.54
11	NBFC	08	97877	0.03
12	Non Resident Indians	1072	20870188	7.26
13	NRI Non – Repatriation	424	9541928	3.32
14	Resident Individuals	85712	133084920	46.29
15	Trusts	03	28058	0.01
16	IEPF	01	23562	0.02
	Total	90309	287495406	100.00

XII. Dematerialization of Shares and Liquidity.

As on 31st March 2018, 99.68% of the Company's total paid up capital, representing 286572237 Equity Shares, were held in dematerialized form and the balance 0.32%, representing 923169 Equity 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 all 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 2018.
- XIV. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities – Not Applicable
- XV. The Company's Plants are located:
- *Plot No.83, Electronic City, Hosur Road, Bangalore – 560 100.
- *Shed No. 15, VSEZ Duuvada, SDF-1, Building, Vadlapudi Post, Vishakapatnam AP – 530 046.
- XVI. Address for Correspondence:

Karvy Computer Share Private Limited.,

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

- a) Correspondence for shares held in physical form;
- b) Share transfer and communication regarding share certificate, dividends and change in address;
- c) For shares held in demat form to the depository participant;
- d) The Company has designated investorservices@optoindia.com as the e-mail for the purpose of registering complaints by investors.
- e) Disclosures regarding suspense account 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 share in unclaimed and / or lying in the escrow account and hence transfer of benefits to suspense account does not arise.

**DECLARATION AS REQUIRED UNDER
REGULATION 34(3) AND SCHEDULE V OF THE
LISTING REGULATIONS.**

The Board members and senior management have affirmed compliance with Company's code of conduct for the Financial year ended March 31, 2018.

On behalf of the Board of Directors

Vinod Ramnani
Chairman
(DIN:01580173)

Somadas GC
Managing Director
(DIN:00678824)

Bangalore,
Date: 31st August 2018

**CERTIFICATE ON COMPLIANCE WITH THE
CONDITIONS OF CORPORATE GOVERNANCE
AS REQUIRED UNDER THE SECURITIES
AND EXCHANGE BOARD OF INDIA
(LISTING OBLIGATIONS AND DISCLOSURE
REQUIREMENTS) REGULATION 2015**

To,

The Members
Opto Circuits (India) Limited
Bangalore

I have examined all the relevant records of Opto Circuits (India) Limited ('the Company') for the purpose of certifying the compliances of the conditions of Corporate Governance by the Company for the Financial Year ended 31st March, 2018 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the Management.

My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Vijayakrishna K. T.

Practising Company Secretary
FCS-1788 & CP-980

Bengaluru
31st August 2018.

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Opto Circuits (India) Ltd, Bangalore

REPORT ON THE STANDALONE Ind AS FINANCIAL STATEMENTS

We have audited the accompanying standalone Ind AS Financial Statements of Opto Circuits (India) Ltd ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity, and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE Ind AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in sub-section 5 of Section 134 of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, the statement of changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments 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 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our 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 of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

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

BASIS FOR QUALIFIED OPINION

We draw your attention:

- a) Regarding the trade receivables amounting to ₹23,079.90 Lakhs (includes dues ₹21,871.88 Lakhs more than 36 months), Trade Payables amounting to ₹5,055.30 Lakhs (Overseas payables ₹2,123.83 Lakhs more than 36 months), there are no confirmation of balances available supporting the outstanding receivables and payables. Although receivables of ₹21,871.88 Lakhs and payables of ₹2,123.83 Lakhs over 36 months, the provisioning/write off of such debts and write back of liabilities could not be ascertained.
- b) The Company holds investment in its Subsidiary Opto Cardiac Care Limited amounting to ₹20,005.50 Lakhs and advances amounting to ₹55,157.34 Lakhs and has not been able to ascertain the impairment loss of investments and advances in this subsidiary which has reported a consolidated negative net worth of ₹3,531.35 Lakhs as against the carrying amount of ₹75,162.84 Lakhs.
- c) The company has the following short term borrowings from the banks as on the date of balance sheet:

Name of the bank	Facility	Amount (in ₹ Lakhs)
Bank of Nova Scotia Ltd	Working Capital	11,890.92
HDFC bank Ltd	Working Capital/ Term Loan	5,817.60
State Bank of India	Working Capital	16,253.78
Yes Bank Ltd	Working Capital	3,043.47
TOTAL		37,005.77

- (i) Banks have classified these liabilities as NPA/Irregular Advances and as such not charging the interest accordingly finance cost/interest is not provided for
- (ii) The Bank of Nova Scotia Ltd 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 the bankers have filed winding up petition in the Hon'ble High Court of Karnataka against the company, for which no provision of interest is made in the financial statements as these Banks have categorized the respective borrowings as NPA. Management is negotiating for One Time Settlement (OTS)/Compromise Settlement from State Bank of India, Bank of Nova Scotia Ltd and HDFC Bank Ltd.

- (iii) 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 and has put up notice for auctioning of the property, the management is negotiating for One Time Settlement (OTS)/Compromise settlement.
- d) Opto Circuits (India) Ltd has given advance of ₹1,642.25 Lakhs and investment of ₹524.61 Lakhs to its subsidiary, Advanced Micronic Devices Ltd (holding 59% of shareholding). The subsidiary has stopped its business operation since July 2015 reported a negative net worth of ₹4,688.15 Lakhs. In this situation it is difficult to realize these amount and company has not made necessary provision in this regard for the Impairment Loss.
- e) In view of the Ind AS 36 Impairment of Assets, the management of the company has to demonstrate how the Intangible Asset will generate the probable future economic benefits, also has to allocate the resources to complete, use and obtain the benefit from the Intangible Asset. As the company's Management has not allocated any resource allocations/commitments during the year and in the absence of providing the report containing the future economic benefits, we are unable to comment on the carrying value of ₹15,710.43 /- Lakhs of such Intangible asset.

QUALIFIED OPINION

Subject to the above qualifications, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2018;
- (b) in the case of the Statement of Profit and Loss, of the profit 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; and
- (d) in the case of the Statement of Changes in Equity, changes for the year ended on that date

EMPHASIS OF MATTER

1. Company along with its step down subsidiary (Cardiac Science Corporation) had borrowed funds from DBS Bank Ltd. In the year 2014-15 the said loan was restructured and as part of the said process ₹12678.41 Lakhs borrowed by the company was also restructured. As per the terms of the agreement with DBS Bank Ltd, upon default by step down subsidiary (Cardiac Science Corporation) the bank exercised their rights and assigned the debts to a third party and also exercised proxy voting rights to take management control of the company. As a result of this the loan borrowed by the company to the tune of ₹12678.41 Lakhs stands extinguished. DBS Bank has objected to the stand taken by the Company.

The Company has raised objections to the stand taken by DBS Bank and filed a original suit before the jurisdictional Civil Court. The suit is pending before courts

The Company also made a claim of USD 160.82 Million against DBS Bank Ltd vide its letter dated 24th January, 2017 and this claim is part of the above petition filed before the Hon'ble Court

and DRT-Bangalore recovery proceedings. Since matter is sub-judice, we cannot express our opinion on the above claims and its impact on financial liability.

2. With respect to debt with Standard Chartered Bank Ltd the company has made and agreed for negotiated settlement with the Standard Chartered Bank for ₹6,200 Lakhs as against outstanding liability of ₹21,521.78 Lakhs. The differential amount of ₹15,321.78 Lakhs has been treated as contingent liability until the final settlement of agreed amount.

Our opinion is not modified in respect of the above said matters.

REPORT ON OTHER LEGAL REGULATORY REQUIREMENT

1. As required by the companies (Auditors Report) Order 2016 ("the order") issued by the Central Government of in terms of section 143(11) of the Act we give in Annexure A statement on the matters specified in the 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 purposes of our audit.
 - b) In our opinion, except for the indeterminate effects of the matters described in the Basis for qualified Opinion paragraph, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, except for the indeterminate effects of the matters described in the Basis

for qualified Opinion paragraph, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and companies (Indian Accounting Standards) amendment Rules, 2016.

- e) On the basis of the written representations received from the directors as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- g) 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 as at 31 March 2018 on its financial position in its standalone financial statements – Refer Note No.15B No.31.
- ii. The Company is not required to make provision as at 31 March 2018, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts since the Company did not have any derivative contracts as at 31 March 2018.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2018.

For B. V. SWAMI & CO.

Chartered Accountants

A. AMARANATH

Partner

Membership Number: 213629

Firm Registration Number: 009151S

Place: Bengaluru

Date: 30th April, 2018

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Report on Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act of Opto Circuits (India) Ltd(The Company)

The Annexure Referred to in Independent Auditors' Report to the members of the Company on the Standalone Financial Statements for the year ended 31 March 2018, we report that:

- i. In respect of the company's Property plant & equipment
 - a. The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property plant & equipment.
 - b. According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us we report that, the title deeds, comprising all the immovable properties of Land & Building which are free hold, are held in the name of the Company as at the Balance sheet date.
- ii. Subject to point (b) under basis for qualification, the physical verification of inventory has been conducted at periodical intervals by the Management but not effectively conducted during the year. As certified by the management the discrepancies noticed on physical verification of inventory as compared to book records were not material. However, we recommend the Management to conduct the physical verification of inventories on quarterly basis and maintain proper records commensurate to the nature and size of the business.
- iii.
 - a. Subject to the qualification in the audit report and as per the explanations 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 respect of the aforesaid the company has given loans and advances to its subsidiaries aggregating to ₹75090.62 Lakhs for which no interest is collected from the loans granted to its subsidiaries during the year.
- c. In respect of aforesaid loans, there is no stipulation has been made for the recovery of the loans. Hence, we're not in a position to make any specific comments on this.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. The company has not accepted deposits during the year and doesn't have any unclaimed deposits as at March 31, 2018 and therefore the provisions of the clause 3(v) of the order are not applicable to the company.
- vi. Reporting under clause 3(vi) of the order is not applicable as the company's business activities are not covered by the companies (cost records and audit) rule, 2014.
- vii.
 - a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, professional tax, duty of customs, sales tax, Goods and Service Tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including service tax, as applicable, with the appropriate authorities. According to the information and explanations given to us there were no statutory dues payable for more than six months.
 - b. According to the information and explanations given to us there is no amount payable in respect of wealth tax, service tax, sales tax, customs duty, excise duty and Goods and Service Tax 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 ₹ Crores)	Period to which it relates	Forum where dispute is pending
Income Tax Act	Demand Raised by IT U/S 154	6.36	A Y 2007-08	CIT (Appeals)
Income Tax Act	Minimum Alternative Tax	3.65	A Y 2011-12	CIT (Appeals)
Income Tax Act	Minimum Alternative Tax	1.00	A Y 2012-13	CIT (Appeals)
Income Tax Act	Minimum Alternative Tax	66.62	A Y 2013-14	CIT (Appeals)
Income Tax Act	Dividend Tax	17.57	A Y 2010-11	High Court writ appeal
Income Tax Act	Dividend Tax	18.00	A Y 2011-12	High Court writ appeal
Income Tax Act	Dividend Tax	13.80	A Y 2012-13	High Court writ appeal

viii. According to the records of the Company examined by us and the information and explanations given to us, except for short term borrowings for working capital as below, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.

Name of the bank	Facility	Amount (in ₹ Lakhs)
Bank of Nova Scotia Ltd	Working Capital	11,890.92
HDFC bank Ltd	Working Capital/ Term Loan	5,817.60
State Bank of India	Working Capital	16,253.78
Yes Bank Ltd	Working Capital	3,043.47
TOTAL		37,005.77

- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans during the year under review. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the company and no material fraud on the company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the

provisions of Clause 3(xii) of the Order are not applicable to the Company.

- xiii. In our opinion and according to the information's and explanations given to us, and based on our examination of the records of the Company transaction with the related parties are in compliance with the provisions of Sections 177 and 188 of the Act where applicable, and details of such transactions have been disclosed in the Ind AS Financial Statements as required under Accounting Standard.
- xiv. The company has made preferential allotment of fully paid equity shares and the same is in accordance with the provisions of Companies Act, 2013.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provision of the section 192 of the act are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly Clause 3(xvi) of the order are not applicable to the company.

For B. V. SWAMI & CO.
Chartered Accountants

A. AMARANATH

Partner
Membership Number: 213629
Firm Registration Number: 009151S
Place: Bengaluru
Date: 30th April, 2018

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT – 31ST MARCH 2018

(Referred to in our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (1) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT OF THE OPTO CIRCUITS (INDIA) LTD.

We have audited the internal financial controls over financial reporting of Opto Circuits (India) Ltd ("the Company"), as of 31st March 2018 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable

assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal

financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

For B. V. SWAMI & CO.

Chartered Accountants

A.AMARANATH

Partner

Membership Number: 213629

Firm Registration Number: 009151S

Place: Bengaluru

Date: 30th April, 2018

STANDALONE BALANCE SHEET AS AT MARCH 2018

(Amount in ₹)

PARTICULARS	Note No.	March 31, 2018	March 31, 2017
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	1	68,77,13,873	77,61,09,621
Capital work-in-progress	2	33,90,280	7,00,000
Investment Property			
Goodwill		-	-
Other Intangible Assets			
Intangible assets under development	3	1,57,10,43,124	1,02,10,43,124
Financial assets			
(i) Investments	4	4,36,56,66,193	3,81,66,46,423
(ii) Trade Receivables	5	2,18,71,88,399	2,17,95,17,979
(iii) Loans	6	7,92,03,70,069	7,46,49,81,950
(iv) Other financial assets	7	57,42,813	58,90,440
Deferred tax assets (net)	8	5,94,527	5,94,527
Other non-current assets	9	18,01,29,708	18,82,11,248
TOTAL NON - CURRENT ASSETS		16,92,18,38,986	15,45,36,95,312
CURRENT ASSETS			
Inventories	10	27,01,98,086	1,08,03,64,420
Financial assets			
(i) Investments	4	-	-
(ii) Trade receivables	5	12,08,01,714	5,37,80,139
(iii) Cash and cash equivalents	11	83,40,045	58,16,804
(iv) Other balances with banks	12	13,34,641	20,31,581
(v) Loans	6	-	4,40,80,509
(vi) Other financial assets	7	-	-
Current Tax Assets	8	39,17,40,543	36,92,29,775
Other current assets	9	3,06,42,602	1,17,68,321
TOTAL CURRENT ASSETS		82,30,57,631	1,56,70,71,549
TOTAL ASSETS		17,74,48,96,617	17,02,07,66,861
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	2,87,49,54,060	2,42,31,94,070
Other equity	14	8,35,81,11,799	6,50,00,28,519
TOTAL EQUITY		11,23,30,65,859	8,92,32,22,589
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings	15	87,62,05,351	52,90,39,415
(ii) Trade Payables	16	28,22,31,685	33,49,98,110
(iii) Other financial liabilities	17	-	-
Provisions	18	-	-
Other non-current liabilities	19	-	-
Deferred tax liabilities (net)	8	-	-
TOTAL NON - CURRENT LIABILITIES		1,15,84,37,036	86,40,37,525
CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings	15	4,53,51,64,184	6,53,04,34,293
(ii) Trade payables	16	22,32,97,927	7,62,27,087
(iii) Other financial liabilities	17	56,96,00,550	57,02,97,490
Provisions	18	91,57,501	1,01,56,909
Other current liabilities	19	1,61,73,560	4,63,90,968
Income tax liabilities (net)	8	-	-
TOTAL CURRENT LIABILITIES		5,35,33,93,722	7,23,35,06,747
TOTAL EQUITY AND LIABILITIES		17,74,48,96,617	17,02,07,66,861

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

For B V SWAMI & Co.,
Chartered Accountants**For and on behalf of the Board of**
OPTO CIRCUITS (INDIA) LIMITED**A. AMARANATH**
Partner
Membership No. 213629
Firm Registration Number: 009151S**Vinod Ramnani**
Chairman
(DIN-01580173)**G C Somadas**
Managing Director
(DIN-00678824)Place: Bengaluru
Date: 30/04/2018**Guruprasad A**
Chief Financial Officer**Supriya Kulkarni**
Company Secretary

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH-2018

(Amount in ₹)

PARTICULARS	Note No.	March 31, 2018	March 31, 2017
I. Revenue from operations	20	63,46,45,687	50,38,01,254
II. Other income, net	21	24,57,078	16,98,614
III. Total income (I+II)		63,71,02,765	50,54,99,868
Expenses			
Cost of materials consumed	22	27,63,92,940	22,52,59,515
Purchase of Stock in Trade		-	-
Changes in inventories of FGs,WIP & Stock-in-Trade	23	6,41,990	(2,70,31,476)
Employee benefit expense	24	7,66,05,978	8,20,53,191
Finance costs	25	1,36,31,674	7,85,21,055
Depreciation and amortisation expenses	1 to 3	9,06,03,792	8,79,45,191
Other expenses	26	7,91,75,191	7,35,08,799
IV. Total expenses (IV)		53,70,51,565	52,02,56,275
V. Profit/(loss) before exceptional items and tax (III-IV)		10,00,51,200	(1,47,56,407)
VI. Exceptional Items	27	-	3,62,56,56,449
VII. Profit/(loss) before tax (V-VI)		10,00,51,200	(3,64,04,12,856)
VIII. Tax expense:			
Current tax	8	-	-
Deferred tax	8	-	-
IX. Profit for the period from continuing operations (VII-VIII)		10,00,51,200	(3,64,04,12,856)
X. Profit/(Loss) from discontinued operations		-	-
XI. Tax expense of discontinued operations		-	-
XII. Profit/(Loss) from discontinued operations (after tax) (X - XI)		-	-
XIII. Profit/(loss) for the period (IX+XII)		10,00,51,200	(3,64,04,12,856)
XIV. Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurement of the net defined benefit liability/asset		-	-
Equity instruments through other comprehensive income		-	-
Items that will be reclassified subsequently to profit or loss		-	-
Total other comprehensive income, net of taxes		-	-
XV. Total comprehensive income for the period and comprising profit(Loss) and other comprehensive income for the period (XIII + XIV)		10,00,51,200	(3,64,04,12,856)
Earnings per equity share	28		
Equity shares of par value ₹10 each			
Basic (₹)		0.39	(15.02)
Diluted (₹)		0.39	(15.02)
- Basic and Weighted average number of Equity Shares outstanding during the period		25,82,85,720	24,23,19,407

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For B V SWAMI & Co.,
Chartered Accountants

For and on behalf of the Board of
OPTO CIRCUITS (INDIA) LIMITED

A. AMARANATH
Partner
Membership No. 213629
Firm Registration Number: 009151S

Vinod Ramnani
Chairman
(DIN-01580173)

G C Somadas
Managing Director
(DIN-00678824)

Place: Bengaluru
Date: 30/04/2018

Guruprasad A
Chief Financial Officer

Supriya Kulkarni
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 2018

(Amount in ₹)

Particulars	Other Equity							Total other equity
	Equity share capital	Share application money pending for allotment	Capital Reserve	Securities Premium Reserve	Retained earnings	General reserve	Other comprehensive income	
Balance as of April 1, 2016	2,42,31,94,070			4,11,71,37,076	4,96,04,77,365	1,16,88,94,869		10,24,65,09,310
Changes in equity for the period ended March 31, 2017								-
Profit for the year								
Other Comprehensive Income					(3,64,04,12,856)			(3,64,04,12,856)
Total Comprehensive Income for the year					(3,64,04,12,856)			(3,64,04,12,856)
Changes in accounting policy or prior period errors					(10,60,67,935)			(10,60,67,935)
Balance as of March 31, 2017	2,42,31,94,070	-	-	4,11,71,37,076	1,21,39,96,574	1,16,88,94,869	-	6,50,00,28,519
Changes in equity for the period ended March 31, 2018	2,42,31,94,070	-	-	4,11,71,37,076	1,21,39,96,574	1,16,88,94,869	-	6,50,00,28,519
Increase in share capital	45,17,59,990							22,58,79,995
Profit for the year								10,00,51,200
Other Comprehensive Income								-
Total Comprehensive Income for the year					10,00,51,200			32,59,31,195
Changes in accounting policy or prior period errors					(27,151)			(27,150)
Any other changes								1,53,21,79,236
Balance as of March 31, 2018	2,87,49,54,060	-	1,53,21,79,236	4,34,30,17,071	1,31,40,20,623	1,16,88,94,869	-	8,35,81,11,799

Prior period includes Administration and Selling expenses of ₹7.91 Lakhs and it includes Income of ₹6.30 as reversal of earlier provision, adjustment against receivables of ₹1.34 lakhs

The accompanying notes form an integral part of the financial statements.

As per our report of even date attached

For B V SWAMI & Co.,
Chartered Accountants

A. AMARANATH
Partner
Membership No. 213629
Firm Registration Number: 009151S

For and on behalf of the Board of
OPTO CIRCUITS (INDIA) LIMITED

Vinod Ramnani
Chairman
(DIN-01580173)

G C Somadas
Managing Director
(DIN-00678824)

Guruprasad A
Chief Financial Officer

Supriya Kulkarni
Company Secretary

Place: Bengaluru
Date: 30/04/2018

STANDALONE CASH FLOW AS ON MARCH 2018

(Amount in ₹)

Particulars		Year ended 31.03.2018	Year ended 31.03.2017
I	Cash flow from operating activities		
	Profit for the year Ended	10,00,51,200	(3,64,04,12,856)
	Adjustments for non operating items		
	Amortisation and other non cash items	-	2,54,95,09,001
	Depreciation	9,06,03,792	8,79,45,191
	Interest paid on borrowings	1,36,31,674	7,85,21,055
		20,42,86,666	(92,44,37,609)
	Adjustments for working capital		
	(Increase)/Decrease in inventories	26,01,66,334	1,72,95,03,675
	(Increase)/Decrease in loans & advances	4,40,80,509	(2,52,13,970)
	(Increase)/Decrease in sundry debtors	(7,46,91,996)	1,10,88,85,792
	Increase/(Decrease) in current liabilities	(21,93,40,725)	(1,31,50,98,125)
	(Increase)/Decrease in current assets	(4,13,85,052)	-
	Cash operating profit/(loss)	17,31,15,735	57,36,39,763
	Net cash flow from operations	17,31,15,735	57,36,39,763
II.	Cash flow from investing activities		
	Proceeds from Sale of Fixed Assets	1,07,498	2,25,005
	Purchase of Fixed Assets	(23,15,542)	(1,51,31,213)
	Payment towards Capital Work in Progress	(26,90,280)	-
	Movement in Non-current Trade Payables	(5,27,66,424)	(54,15,53,609)
	Net cash flow from investing activities	(5,76,64,748)	(55,64,59,817)
III.	Cash flow from financing activities		
	Proceeds/(Repayment) of Loans and Advances	(9,99,93,012)	4,15,84,882
	Inflow of cash	(9,99,93,012)	4,15,84,882
	Interest paid on borrowings	(1,36,31,674)	(7,85,21,055)
	Net cash flow from financing activities	(11,36,24,686)	(3,69,36,173)
	Total increase in cash & cash equivalents during the year	18,26,301	(1,97,56,227)
	Cash & cash equivalents at the beginning of the year	78,48,385	2,76,04,612
	Cash & cash equivalents at the end of the year	96,74,686	78,48,385
	Note: Figures in brackets represent outflows		

As per our report of even date attached

For B V SWAMI & Co.,
Chartered Accountants

For and on behalf of the Board of
OPTO CIRCUITS (INDIA) LIMITED

A. AMARANATH
Partner
Membership No. 213629
Firm Registration Number: 0091515

Vinod Ramnani
Chairman
(DIN-01580173)

G C Somadas
Managing Director
(DIN-00678824)

Place: Bengaluru
Date: 30/04/2018

Guruprasad A
Chief Financial Officer

Supriya Kulkarni
Company Secretary

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

COMPANY OVERVIEW:

Opto Circuits (India) Limited is engaged in the manufacture and trading of invasive and non-invasive medical equipment's. The company is a public limited company incorporated and domiciled in India and has its register office located at Plot no 83, Electronic city, Phase-1, Hosur Main Road, Bengaluru. The company has its primary listing on BSE and NSE OF India.

The financial statements are approved for issue by the Company's Board of Directors on 30th April 2018.

2) STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

A) Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act , 2013 ('Act') (to the extent notified) and guidelines issued by the Securities Exchange of India [SEBI]. The Ind AS as prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment rules 2016.

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.

B) Use Of Estimates and Judgments

The preparation of financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during

the period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirement of the respective accounting standard. Changes in estimates are reflected in the financial statements in the period in which changes are made and , if material, their effects are disclosed in the notes to the Financial Statements.

C) Other Intangible Assets

Intangible Assets are stated at cost less accumulated amortisation and impairment. Intangible Assets are amortized over their respective individual estimated useful lives on a straight line basis from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on number of factors including the effects of obsolescence, demand, competition and other economic factors. Amortisation methods and useful lives are reviewed periodically including at each financial year end.

D) Capital work-in-progress and intangible assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost

E) Financial Instruments

a) Initial Recognition

The Company recognizes the Financial asset and Financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted at trade date.

b) Subsequent Measurement

a) Non Derivative Financial Instrument

i) Financial Assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

iii) Financial assets at fair value through profit or loss

A financial asset, which is not classified in any of the above categories, is subsequently fair valued through profit or loss.

iv) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using effective interest method, except for contingent consideration recognized in a business combination, which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

v) Investment in Subsidiaries

Investments are stated at cost in accordance with Ind AS 27- Separate Financial statements.

vi) Offsetting of financial Instruments

Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to off set the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

F) Accounting of provisions, contingent liabilities, and contingent assets

A provision is recognized if as a result of past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is possible obligation or 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.

**G) Income Taxes
Provision For Taxation**

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

DEFERRED TAX

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and

their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax asset in the nature of unabsorbed depreciation and losses are recognized only if there is virtual certainty of realization.

H) Revenue Recognition

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

I) Foreign Currency Functional Currency

The functional currency of the company is Indian Rupee. These financial statements are presented in Indian rupees.

TRANSACTIONS AND TRANSLATIONS

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at the exchange rates in effect at the Balance Sheet date. The gains or losses resulting from such transactions are included in the Statement of Profit and Loss. Non-monetary assets and Non – monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non – monetary assets and non – monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Revenue, Expenses and Cash flow items denominated in foreign currencies are translated into relevant functional currencies using the exchange rate in effect on the date of the transaction.

J) Retirement benefits

The company's liability towards retirement benefits in the form of provident fund is full funded and charged to revenue expenditure. The company contribute to the employee provident fund maintained under the employee's 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. Un availed encashable earned leave is accounted on accrual basis.

K) Earnings Per Share

Basic earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

L) Cash flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing, and financing activities of the Company are segregated.

M) Property, Plant and Equipment

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The company depreciates the property, plant and equipment over their estimated useful lives using the straight line method.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at

each Balance sheet date is classified as capital advances under the non current assets and the cost of the assets not ready not ready for use before such date are disclosed under capital work in progress. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and Maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon the sale or retirement of the asset and the resultant gains or losses are recognized in the statement of Profit and Loss.

N) Recent Accounting Pronouncement

Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration: On March 28, 2018 the Ministry of Corporate Affairs (the MCA) notified the companies (Indian Accounting Standards) Amendment Rules 2018 containing Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or Income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115, Revenue from Contract with Customers: On March 28, 2018 the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. Further, the

disclosure requirement of the new standard is for an entity to disclose sufficient information to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The standard permits an entity can elect to adopt the new standard in a new variety of ways, including retrospectively with or without optional practical expedient or through cumulative effect adjustment as of the start of the first period for which it applies the new standard.

O) Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and Cash Equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

P) Inventories

Valuations of inventories are at the lower of cost and net realizable value. Cost of the 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 progress 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 location.

Q) Segment Reporting Policies

Identification of segments:

The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The

analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Intersegment Transfers:

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

As per our report of even date attached

For B V SWAMI & Co.,
Chartered Accountants

A. AMARANATH
Partner
Membership No. 213629
Firm Registration Number: 009151S

Place: Bengaluru
Date: 30/04/2018

**For and on behalf of the Board of
OPTO CIRCUITS (INDIA) LIMITED**

Vinod Ramnani
Chairman
(DIN-01580173)

Guruprasad A
Chief Financial Officer

G C Somadas
Managing Director
(DIN-00678824)

Supriya Kulkarni
Company Secretary

NOTE. 1 PROPERTY, PLANT & EQUIPMENT

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2018

(Amount in ₹)

Particulars	Land	Buildings	Plant and Machinery	Office equipment	Vehicles	Computer equipment	Furniture and fixtures	Bore well	Electrical Installations	Total
Gross carrying value as at April 1, 2017	2,38,53,684	3,86,65,162	1,28,13,53,340	89,29,491	3,22,71,700	6,25,30,050	2,85,63,035	73,655	1,34,64,687	1,48,97,04,804
Additions	-	-	-	-	23,15,542	-	-	-	-	23,15,542
Deletions	-	-	-	-	-	-	1,07,498	-	-	1,07,498
Gross carrying value as at March 31, 2018	2,38,53,684	3,86,65,162	1,28,13,53,340	89,29,491	3,45,87,242	6,25,30,050	2,84,55,537	73,655	1,34,64,687	1,49,19,12,848
Accumulated depreciation as at April 1, 2017	-	2,49,21,367	55,54,17,141	86,98,141	2,82,33,033	6,25,30,050	2,21,96,596	-	1,15,98,855	71,35,95,183
Depreciation	-	12,25,686	8,44,60,048	2,31,350	6,89,936	-	27,17,627	-	12,79,145	9,06,03,792
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2018	-	2,61,47,053	63,98,77,189	89,29,491	2,89,22,969	6,25,30,050	2,49,14,223	-	1,28,78,000	80,41,98,975
Carrying value as at March 31, 2018	2,38,53,684	1,25,18,109	64,14,76,151	-	56,64,273	-	35,41,314	73,655	5,86,687	68,77,13,873

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2017

(Amount in ₹)

Particulars	Land	Buildings	Plant and Machinery	Office equipment	Vehicles	Computer equipment	Furniture and fixtures	Bore well	Electrical Installations	Total
Gross carrying value as at April 1, 2016	2,38,53,684	3,86,65,162	1,27,09,91,959	89,29,491	2,82,01,868	6,25,30,050	2,87,88,040	73,655	1,34,64,687	1,47,54,98,596
Additions	-	-	1,03,61,381	-	40,69,832	-	-	-	-	1,44,31,213
Deletions	-	-	-	-	-	-	2,25,005	-	-	2,25,005
Gross carrying value as at March 31, 2017	2,38,53,684	3,86,65,162	1,28,13,53,340	89,29,491	3,22,71,700	6,25,30,050	2,85,63,035	73,655	1,34,64,687	1,48,97,04,804
Accumulated depreciation as at April 1, 2016	-	2,36,95,681	47,48,42,956	70,30,136	2,79,13,687	6,23,80,820	1,94,67,002	-	1,03,19,710	62,56,49,992
Depreciation	-	12,25,686	8,05,74,185	16,68,005	3,19,346	1,49,230	27,29,594	-	12,79,145	8,79,45,191
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31, 2017	-	2,49,21,367	55,54,17,141	86,98,141	2,82,33,033	6,25,30,050	2,21,96,596	-	1,15,98,855	71,35,95,183
Carrying value as at March 31, 2017	2,38,53,684	1,37,43,795	72,59,36,199	2,31,350	40,38,667	-	63,66,439	73,655	18,65,832	77,61,09,621

NOTE: 2 CAPITAL WORK IN PROGRESS

(Amount in ₹)

Particulars	2018	2017
Gross carrying value as at April 1st	7,00,000	-
Additions	33,90,280	7,00,000
Deletions	7,00,000	-
Gross carrying value as at March 31st	33,90,280	7,00,000
Accumulated depreciation as at April 1st	-	-
Depreciation	-	-
Accumulated depreciation on deletions	-	-
Impairment losses	-	-
Accumulated depreciation as at March 31st	-	-
Carrying value at the end of the year	33,90,280	7,00,000

Capitalisation of development expenses incurred towards Mysore project & Hassan SEZ project related to Opto Infrastructure Ltd which was of FY 2016-17 is reversed during the year FY 2017-18 is included in Capital work in progress.

NOTE : 3 INTANGIBLE ASSETS UNDER DEVELOPMENT

(Amount in ₹)

Particulars	2018	2017
Gross carrying value as at April 1st	1,02,10,43,124	1,02,10,43,124
Additions	55,00,00,000	-
Impairment	-	-
Disposal & other adjustments	-	-
Gross carrying value as at March 31st	1,57,10,43,124	1,02,10,43,124

Product development costs incurred on new products are recognised as intangible assets, the company has committed technical, financial and other resources to complete the development and it is probable that the asset will generate probable future economic benefits.

The costs capitalised include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to date the asset is available for use.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment loss.

NOTE 4 : INVESTMENTS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non-current investments		
Long term investments - at cost		
Trade (unquoted)		
Investments in equity instruments of subsidiaries		
Advanced Micronic Devices Limited	5,24,61,254	5,24,61,254
Mediaid, Inc.	44,55,49,475	44,55,49,475
Opto Eurocor Healthcare Limited *	1,19,35,17,484	64,44,97,714
Devon Innovations Private Limited	3,12,50,000	3,12,50,000
Ormed Medical Technology Limited	85,01,430	85,01,430
Opto Infrastructure Limited	18,75,36,500	18,75,36,500
Opto Circuits (Malaysia) SDN BHD	44,63,00,000	44,63,00,000
Opto Cardiac Care Limited	2,00,05,50,050	2,00,05,50,050
Total Non Current Investments	4,36,56,66,193	3,81,66,46,423

*Opto Circuits India Limited acquired 14,07,743 shares of its subsidiary Opto Eurocor Healthcare Limited at market value of ₹390 through share swap arrangement.

NOTE 5 : TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non- current		
<i>Un-Secured</i>		
Considered Good	76,70,420	2,17,95,17,979
Considered Doubtful debt	4,83,50,94,915	2,65,55,76,936
Total	4,84,27,65,335	4,83,50,94,915
Less: Provision for Doubtful Debt *	(2,65,55,76,936)	(2,65,55,76,936)
Total	2,18,71,88,399	2,17,95,17,979
Current		
<i>Un-Secured</i>		
Considered Good	12,08,01,714	5,37,80,139
Total	12,08,01,714	5,37,80,139

* Provision for doubtful debts of ₹2,65,55,76,936/- created in FY 16-17

NOTE 6 : LOANS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non- current		
<i>Un-Secured Considered Good</i>		
Loans to related parties	7,92,03,70,069	7,46,49,81,950
Total	7,92,03,70,069	7,46,49,81,950
Current		
<i>Un-Secured Considered Good</i>		
Loans to related parties	-	4,40,80,509
Total	-	4,40,80,509

NOTE 7: OTHER FINANCIAL ASSETS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non- current		
Security deposits	57,42,813	58,90,440
Total	57,42,813	58,90,440

NOTE 8 : INCOME TAXES**Income tax expense in the statement of profit and loss comprises:**

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Current taxes	-	-
Deferred taxes	-	-
Income tax expense	-	-

CURRENT ASSETS**Income tax assets and income tax liabilities:**

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Income tax assets	39,17,40,543	36,92,29,775
Current income tax liabilities	-	-
Net current income tax assets/ (liability) at the end	39,17,40,543	36,92,29,775

NON CURRENT ASSETS**Deferred income tax account:**

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Net deferred income tax asset at the beginning	5,94,527	5,94,527
Credits / (charge) relating to temporary differences	-	-
Net deferred income tax asset at the end	5,94,527	5,94,527

Deferred tax assets and deferred tax liabilities have been offset wherever the company has legally enforceable right to set off current tax assets against current tax liabilities.

NOTE 9 : OTHER ASSETS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non- current		
Capital advances	16,25,265	15,94,842
Advance other than capital advances		
Advances to Suppliers	17,85,04,443	18,66,16,406
Total	18,01,29,708	18,82,11,248
Current		
Advance to related parties		
Other advances	2,99,37,348	1,14,18,833
Prepaid expenses	7,05,254	3,49,488
Total	3,06,42,602	1,17,68,321

NOTE 10 : INVENTORIES

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
(At lower of cost and net realisable value)		
Raw Materials	23,43,09,333	16,38,33,677
Work in progress	3,58,88,753	91,65,30,743
Total	27,01,98,086	1,08,03,64,420

- The Company regains its business at Vizag unit from September 2017, earlier which was suspended its operations for 5 months i.e April 2017 to August 2017
- SEZ Stock of ₹5,500 lakhs are capitalised as intangible assets under development and ₹3,300 lakhs transferred to SEZ Unit of OCCL
- The company has lodged claim with insurance company on loss of stock/inventories due to Hud-Hud cyclone.
- Inventory value is net of provisions made for impairment loss in the value of inventory to the extent of ₹13,997.47 lakhs & disclosed as exceptional items in FY 2016-17.

NOTE 11 : CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Cash on hand	20,679	50,550
In Current and Deposit accounts	83,19,366	57,66,254
Total	83,40,045	58,16,804

NOTE 12 : OTHER BALANCES WITH BANKS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Other balances with banks consist of the following:		
Earmarked Balances	13,34,641	20,31,581
Total	13,34,641	20,31,581

NOTE 13 . EQUITY SHARE CAPITAL

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Authorized		
375,000,000 Equity shares of ₹ 10 each	375,00,00,000	375,00,00,000
	375,00,00,000	375,00,00,000
Issued :		
287,757,306 /- Equity shares of ₹ 10/- each	287,75,73,060	242,58,13,070
	287,75,73,060	242,58,13,070
Subscribed and Paid-Up		
287,495,406 Equity shares of ₹10 each fully paid	287,49,54,060	242,31,94,070
	287,49,54,060	242,31,94,070

The Company has only one class of shares referred to as equity shares having a par value of ₹10/-. Each holder of equity shares is entitled to one vote per share.

3,66,01,318 Equity shares fully paid are allotted to Opto Eurocor Healthcare Limited (OEHL) pursuant to contract with OEHL against purchase of 14,07,743 fully paid Equity shares of OEHL other than cash. The balance number of 85,74,681 shares are issued towards repayment of unsecured loans of the company.

NOTE 13A: RECONCILIATION OF SHARES

Particulars	As at March 31, 2018	As at March 31, 2017
Reconciliation of no of Shares Outstanding at the beginning and at the end of the year		
No of shares outstanding at the beginning of the year	24,23,19,407	24,23,19,407
Add: Issue of shares	4,51,75,999	-
No of shares outstanding at the end of the year	28,74,95,406	24,23,19,407

The details of shareholder holding more than 5% shares as at March 31, 2018 and March 31, 2017 are set out below:

Name of the shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of shares	% held	Number of shares	% held
Equity Shares				
Vinod Ramnani	3,41,43,581	11.88	3,40,43,581	14.05

NOTE 14 OTHER EQUITY

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Securities Premium Account		
As per last Balance Sheet	4,11,71,37,076	4,11,71,37,076
Additions on shares issued during the year	22,58,79,995	-
	4,34,30,17,071	4,11,71,37,076
General Reserve		
i) Opening Balance	1,16,88,94,869	1,16,88,94,869
ii) Transfer from retained earnings	-	-
	1,16,88,94,869	1,16,88,94,869
Capital Reserve		
i) Opening Balance	-	-
ii) Add:Current Year Transfers	1,53,21,79,236	-
	1,53,21,79,236	-
Retained earnings		
i) Opening balance	1,21,39,96,574	4,96,04,77,365
ii) Profit for the year	10,00,51,200	(3,64,04,12,856)
iii) Less:Changes in Prior period or Accounting policy	(27,150)	(10,60,67,935)
	1,31,40,20,623	1,21,39,96,574
iv) Less: Appropriations	-	-
TOTAL	8,35,81,11,799	6,50,00,28,519

Company has obtained OTS agreement with Standard Chartered Bank to pay ₹6,200 lakhs towards full and final settlement of their dues in 11 installments over a period of time on or before December 2020. Subsequent to this Rephasement scheme, ₹15,321.79 lakhs has been transferred to capital reserve.

NOTE 15 : BORROWINGS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Note 15A : Non - Current Borrowings		
<i>From other parties</i>		
Unsecured	94,72,195	94,72,195
	94,72,195	94,72,195
<i>Loans and Advances from related parties</i>		
Unsecured	86,67,33,156	51,95,67,220
	86,67,33,156	51,95,67,221
Total	87,62,05,351	52,90,39,415

Non Current unsecured loans of ₹8,762.05 lakhs includes interest free loans from subsidiaries, step-down subsidiaries and others.

15B : CURRENT - BORROWINGS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Loans repayable on demand		
- From Banks		
Secured	2,36,59,81,369	3,94,35,31,136
Unsecured	1,99,77,00,181	2,00,06,28,740
	4,36,36,81,550	5,94,41,59,876
Loans and Advances from related parties		
Unsecured	17,14,82,634	58,62,74,417
	17,14,82,634	58,62,74,417
Total	4,53,51,64,184	6,53,04,34,293

- (i) The Company along with its stepdown subsidiary (CSC) had borrowed funds from DBS Bank Limited. In the year 2014-15 the said loan was restructured and as a part of the said process, loan of ₹126.78 Crores borrowed by the company which was part of the total Loan Agreement was also restructured. As per the terms of the agreement with DBS Bank Limited, upon default by step down subsidiary (CSC), the bank exercised their right and assigned the debts to a third party and also exercised proxy voting rights to take management control of the step down overseas subsidiary [CSC]. As result of the above unilateral action of DBS Bank , the loan borrowed by the company to the tune of ₹126.78 crores also stands extinguished. Consequently this liability is transferred to Opto Cardiac Care Ltd, (a WOS) wherein the Investment in Cardiac Science Corporation, U.S.A, is transferred as stepdown wholly owned subsidiary.
- (ii) Current unsecured loans includes interest free loans of ₹1,714.82 Lakhs from directors.
- (iii) State Bank India, The Bank of Nova Scotia, HDFC Bank Limited, Standard Chartered Bank Ltd, Yes Bank Ltd have suspended charging the interest as these loans are categorised as NPA. The company has not recognised the interest on these borrowings. In View of the above confirmation of balances were not obtained from these banks.
- (iv) Bank of Nova Scotia and HDFC Bank have, as lenders to the company and CIMB, Malaysia which has invoked the corporate guarantee, as Financial Creditors filed winding up petitions before the High Court of Karnataka. The management is making efforts to negotiate and settle with said banks for OTS which is under negotiation.

(Amount in ₹)

SI	Bank	Nature of Loan	Security	Current Borrowings	Current Maturities of long term debt	Total Amount Outstanding as on 31st March 2018
1	State Bank of India	Working Capital	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. The current assets of the company was given as security to the under multiple banking arrangement viz. state Bank of India, Standard chartered Bank, Indus Ind Bank and DBS Bank. SBI has obtained Recovery Certificate for recovery of loan from the Debt Recovery Tribunal, Bengaluru.	1,62,53,78,567	-	1,62,53,78,567
2	IndusInd Bank	Working Capital/Cash credit facilities/Preshipment in Foreign Currency and bill discounting/Postshipment credit in Foreign currency facility/ Overdraft and Indian rupee loan	These facilities are repayable on demand, secured by pari-passu charge on Stocks and Book Debts of the Company.	13,06,02,802	-	13,06,02,802
3	Standard Chartered Bank	Working Capital	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' sharing basis with the members of the banks in Multiple Banking Arrangement. Subsequently the property of M/s Altrons Hotels pvt ltd was sold during financial year 2017-18 and proceeds from the sale of said property is paid to Standard Chartered Bank towards part Repayment of the One Time Settlement with Standard Chartered Bank Ltd. Company has obtained OTS agreement with Standard Chartered Bank to pay ₹6,200 lakhs towards full and final settlement of their dues in 11 installments over a period of time on or before December 2020. Subsequent to this Rephasement scheme, ₹15,321.79 lakhs has been transferred to capital reserve & the same is shown as contingent liability.	61,00,00,000	-	61,00,00,000
4	Yes Bank	Working Capital	Un-Secured Loan	30,43,47,734	-	30,43,47,734
5	Bank of Nova Scotia	Working Capital	The company has given the security of immovable property of its Subsidiary Opto Infrastructure Limited comprising on all that piece and parcel of land 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 an total extent of 250 acres.	1,18,90,92,331	-	1,18,90,92,331
6	HDFC Bank	Term Loan/Working Capital	Un-Secured Loan	50,42,60,116	7,75,00,000	58,17,60,116
Total				4,36,36,81,550	7,75,00,000	4,44,11,81,550

NOTE 16 : TRADE PAYABLES

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Non Current		
Trade payables	14,36,85,843	19,63,91,167
Trade payables to subsidiaries and fellow subsidiaries	13,85,45,842	13,86,06,943
Total	28,22,31,685	33,49,98,110
Current		
Trade payables	21,80,32,289	7,09,48,686
Sundry Creditors for Subsidiaries	52,65,638	52,78,401
Total	22,32,97,927	7,62,27,087

NOTE 17 : OTHER FINANCIAL LIABILITIES

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Current maturities of long-term debt	7,75,00,000	7,75,00,000
Unpaid dividends	49,07,65,909	49,07,65,909
Unclaimed dividends	13,34,641	20,31,581
Total	56,96,00,550	57,02,97,490

- 1) ₹775 lakhs related to HDFC Bank is over due and as such categorised under other financial liabilities.
- 2) The Management is negotiating to settle with said bank for Restructure / Rephasement Settlement scheme.

NOTE 18: PROVISIONS

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Provision for Leave Encashment	87,85,784	87,85,784
Provision for Gratuity	3,71,717	13,71,125
Total	91,57,501	1,01,56,909

NOTE 19 : OTHER LIABILITIES

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017
Current		
Advances Received From Customers	1,32,76,730	4,11,38,057
Others(Statutory Dues)	28,96,830	52,52,911
Total	1,61,73,560	4,63,90,968

NOTE 20 : REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Income from sale of products	63,46,45,687	50,38,01,254
	63,46,45,687	50,38,01,254

NOTE 21 : OTHER INCOME

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Exchange gains/(losses) on translation of other assets and liabilities	24,57,078	16,98,614
	24,57,078	16,98,614

NOTE 22 : COST OF MATERIAL CONSUMED

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Opening stock	16,38,33,677	1,92,03,68,828
Add: Purchases	32,04,72,941	22,24,19,700
Less: Closing stock	23,43,09,333	16,38,33,677
Less: Discount on obsolete stock	-	39,17,78,097
Less: Provision for impairment loss in inventory value	-	1,39,97,47,246
Cost Of Material Consumed (A)	24,99,97,285	18,74,29,508
MANUFACTURING AND OPERATING COST		
Insurance	4,81,791	11,69,444
Labour Charges & Job Work	1,38,69,090	1,94,32,157
Power & Fuel	1,03,29,718	86,45,249
R&D,Product Development Expenses	-	62,31,203
Repairs & Maintenance - Building	-	3,265
Repairs & Maintenance - Electricals & Others	5,56,185	6,23,547
Repairs & Maintenance - Plant & Machinery	9,80,416	16,32,303
Tooling Charges	1,78,455	92,839
Total Manufacturing & Operating Cost (B)	2,63,95,655	3,78,30,007
Cost of Material Consumed (A) + (B)	27,63,92,940	22,52,59,515

NOTE 23 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Inventories at the end of the year:		
Work-in-progress	3,58,88,753	91,65,30,743
	3,58,88,753	91,65,30,743
Inventories at the beginning of the year:		
Work-in-progress	91,65,30,743	88,94,99,267
Less: Stock Transfer to SEZ Unit	33,00,00,000	-
Less: Amount Transferred to Product Development Expenses	55,00,00,000	-
	3,65,30,743	88,94,99,267
Net (increase) / decrease	6,41,990	(2,70,31,476)

NOTE 24 : EMPLOYEE BENEFIT EXPENSE

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Salaries and wages	5,65,46,768	6,93,86,365
Contribution to provident and other funds	40,87,944	40,48,942
Staff welfare expenses	1,59,71,266	86,17,884
Total	7,66,05,978	8,20,53,191

NOTE 25 : FINANCE COST

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Interest expense	1,01,48,161	7,45,25,098
Other borrowing cost	4,18,800	12,29,525
Bank Charges	30,64,713	27,66,432
Total	1,36,31,674	7,85,21,055

NOTE 26 : OTHER EXPENSES

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
ADMINISTRATIVE EXPENSES:		
Audit fee	22,00,000	28,65,382
Advertisement & Trade Shows	92,287	1,18,421
Directors Remuneration	78,00,000	26,25,112
Electricity & Water Charges	20,91,462	23,85,159
General Expenses	1,30,69,556	80,42,076
Membership, Books & Periodicals	21,660	34,232
Miscellaneous expenses	3,30,647	-

Particulars	For the year ended	
	2018	2017
Office Maintenance	18,04,254	21,90,993
Postage, Telephone & Fax Charges	21,98,988	18,98,242
Printing & Stationery	6,88,738	48,63,429
Professional Consultancy Charges	1,16,20,895	2,09,55,144
Rates & Taxes	11,40,963	38,18,631
Rent	49,47,580	20,82,085
Travelling & Conveyance	1,37,17,223	61,99,172
Total A	6,17,24,253	5,80,78,078
SELLING EXPENSES:		
Business Promotion Expenses	3,79,861	2,86,272
Clearing Charges	30,29,053	52,09,042
Freight & Handling Charges	1,14,11,211	78,33,306
Packing Materials	26,30,813	21,02,101
Total B	1,74,50,938	1,54,30,721
Total (A+B)	7,91,75,191	7,35,08,799

NOTE 27 :EXCEPTIONAL ITEMS

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Provision for Long Term Doubtful Receivables	-	2,22,59,09,203
Provision for impairment loss in inventory value	-	1,39,97,47,246
	-	3,62,56,56,449

- 1) These are the receivables which were overdue for more than three years. Company was not able to recover these long outstanding receivables even after putting constant efforts. Therefore the management has decided to make the provision for bad and doubtful debts and seek regulatory authorities approval for such write off.
- 2) These stocks are specifically earmarked for Cardiac Science Corporation and Criticare System, Inc. Due to hostile take over of these subsidiaries, these stocks are no more usable and hence the provision has been made for such impairment loss in inventory value. Company would seek approval for such write off from appropriate authority.

NOTE 28 : EARNING PER SHARE

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Profit after Tax	10,00,51,200	(3,64,04,12,856)
Basic and Weighted average number of Equity Shares outstanding during the period	25,82,85,720	24,23,19,407
Nominal Value of Equity Shares	10	10
Earnings Per Share	0.39	(15.02)

NOTE 29 - DETAILS OF FOREIGN CURRENCY EXPOSURES THAT ARE NOT HEDGED BY A DERIVATIVE INSTRUMENT OR OTHERWISE.

Particulars		Amount in Foreign Currency		Equivalent amount in ₹	
		Current Year	Previous Year	Current Year	Previous Year
Sundry Creditors	USD	58,09,910	44,71,785	36,88,05,525	27,80,15,381
	Euros	53,084	-	42,70,418	-
Loans and Advances received	USD	14,93,546	18,19,438	9,51,61,864	11,75,18,057
Bank Borrowings	USD	20,06,970	59,98,690	13,06,02,802	39,97,83,601
Sundry Debtors	USD	3,67,76,760	3,44,43,960	2,30,64,97,686	2,23,32,98,117
Loans and Advances Paid	USD	1,17,35,034	1,16,54,776	73,47,07,425	70,14,30,871
	Euros	1,00,380	6,555	80,25,233	4,53,888

NOTE 30 SEGMENT INFORMATION :

30A 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	57,96,89,130	41,84,67,664	4,13,03,669	3,78,82,008	1,36,52,888	4,74,51,582	63,46,45,687	50,38,01,254
Other Income	-	-	-	-	-	-	24,57,078	16,98,614
b Segment Results								
Profit/(Loss) after considering other income and before interest and tax)	15,60,45,727	9,97,13,431	1,11,18,478	90,26,611	36,75,202	1,13,06,871	17,08,39,408	12,00,46,913
Interest expenses and other borrowing cost	-	-	-	-	-	-	1,36,31,674	7,85,21,055
Other Un-allocable Expenditure	-	-	-	-	-	-	5,71,56,534	5,62,82,265
Surplus on pre-payment of sales tax deferral	-	-	-	-	-	-	-	-
Profit before tax	15,60,45,727	9,97,13,431	1,11,18,478	90,26,611	36,75,202	1,13,06,871	10,00,51,200	-1,47,56,407
c Segment Assets	4,42,11,91,098	4,24,57,29,527	31,50,16,108	38,43,46,926	10,41,28,271	48,14,38,830	4,84,03,35,477	5,11,15,15,283
Unallocated Corporate Assets							12,90,45,61,141	11,90,92,51,578
Total Assets	4,42,11,91,098	4,24,57,29,527	31,50,16,108	38,43,46,926	10,41,28,271	48,14,38,830	17,74,48,96,617	17,02,07,66,861
d Segment Liabilities	46,17,53,742	34,15,72,090	3,29,00,606	3,09,20,995	1,08,75,264	3,87,32,111	50,55,29,612	41,12,25,197
Unallocated Corporate liabilities	-	-	-	-	-	-	6,00,63,01,146	7,68,63,19,074
Total Liabilities	46,17,53,742	34,15,72,090	3,29,00,606	3,09,20,995	1,08,75,264	3,87,32,111	6,51,18,30,758	8,09,75,44,271
e Segment Capital Expenditure	21,15,016	1,19,86,862	1,50,742	10,85,117	49,784	13,59,234	23,15,542	1,44,31,213
f Depreciation / Amortisation	8,27,58,040	7,30,49,081	58,96,627	66,12,807	19,49,124	82,83,303	9,06,03,792	8,79,45,191

30B SECONDARY SEGMENTS - GEOGRAPHICAL SEGMENTS

(Amount in ₹)

	Current Year ₹	Previous year ₹
i) Sales Revenue by Geographical Location of Customers		
Within India	13,23,929	3,24,630
Outside India	63,33,21,758	50,34,76,624
ii) Carrying Amount of Segment Assets		
Within India	17,74,48,96,617	17,02,07,66,861
Outside India	-	-
iii) Capital Expenditure		
Within India	23,15,542	57,05,822
Outside India	-	-
iv) Sales Revenue by Geographical Market		
Asia	4,38,12,453	3,31,80,610
America	30,66,64,148	45,48,20,566
Europe	28,41,69,086	1,58,00,077

NOTES:**30C 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

30D 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 31A - CONTINGENT LIABILITY

Particulars	As at	
	2018	2017
Guarantees		
Corporate Guarantee has been given to IndusInd Bank on behalf of Opto Cardiac Care Limited (Company holding 100% of shares)	INR 1,30,00,00,000	USD 18,250,000
Corporate Guarantee has been given to CEB Bank on behalf Eurocor GmbH on behalf of Opto Eurocor Health Care Limited (Company holding 97.02% of shares) .	Euro 25,350,000	USD 26,570,000
Corporate Guarantee has been Given to Commerce Bank on behalf of Eurocor Asia Sdn Bhd on behalf of Opto Eurocor Health Care Limited (Company holding 97.02% of shares)	RM 12,800,000	RM 12,800,000
Corporate Guarantee has been given to IndusInd Bank on behalf of Criticare Technologies Inc on behalf of Opto Cardiac Care Limited (Company holding 100% of shares)	USD 13,500,000	USD 6,500,000
Corporate Guarantee given to ICICI Bank for the SBLC issued to US Bank for the credit facility extended to our step-down subsidiary Cardiac Science Corporation, USA. ICICI Bank has invoked the corporate guarantee and claim of USD 10 million is not acknowledged as debt.	USD 10,000,000	USD 10,000,000
Others		
One Time Settlement of Standard Chartered Bank	INR 1,53,21,79,236	-

NOTE 31B DIVIDEND DISTRIBUTION TAX

(Amount in ₹)

ASSESSMENT YEAR	DIVIDEND DISTRIBUTION TAX	INTEREST AMOUNT	Total
2010-11	12,45,90,035	5,10,81,914	17,56,71,949
2011-12	13,93,13,855	4,04,59,018	17,97,72,873
2012-13	11,79,30,798	2,00,48,236	13,79,79,034
TOTAL	38,18,34,688	11,15,89,168	49,34,23,856

Interest on Dividend Distribution tax of ₹1,115.89 Lakhs is contingent Liability.

NOTE 31C

(i) Income tax department has raised the following demands w.r.t the order passed under sec 143(3)

AY	Demand in Lakhs	Appealed Before
2011-12	365.45	CIT(A)-III Bangalore
2012-13	100.38	CIT(A)-III Bangalore
2013-14	6662.43	CIT(A)-III Bangalore

(ii) Income tax department has raised the following demand under Sec-156.

Assessment Year	Demand in Lakhs
2007-08	204.38
2012-13	450.42

(iii) Income tax department has raised demand under sec-154 for AY 2007-08 for ₹635.97 Lakhs

NOTE 32A - VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED

Particulars	For the year ended on 31.03.2018		For the year ended on 31.03.2017	
	Value (II)	Percentage (%)	Value (II)	Percentage (%)
Imported	23,85,47,409	95.42%	21,46,81,478	95.30%
Indigenously obtained	1,14,49,876	4.58%	1,05,78,037	4.70%
Total	24,99,97,285	100%	22,52,59,515	100%

NOTE 32B - CIF VALUE OF IMPORTS

(Amount in ₹)

Particulars	For the year ended on 31.03.2018	For the year ended on 31.03.2017
Raw materials	29,17,76,595	20,20,20,813
Components and Spare Parts	1,40,11,736	99,54,206
Capital Goods	-	-
Total	30,57,88,331	21,19,75,019

NOTE 32C - EXPENDITURE IN FOREIGN CURRENCY

(Amount in ₹)

Particulars	For the year ended on 31.03.2018	For the year ended on 31.03.2017
Freight & Travel Expenses	31,66,570	2,78,864
Tooling Charges	1,69,189	67,650
Legal & Professional Charges	-	2,95,019
Total	33,35,759	6,41,533

NOTE 33- RELATED PARTY DISCLOSURES:**33A - 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) Opto Circuits (Malaysia) Sdn, Bhd.	Subsidiary Company	100.00%
7) Opto Cardiac Care Limited	Subsidiary Company	100.00%
8) Opto Eurocor Healthcare Limited	Subsidiary Company	97.02%
9) Criticare Technologies, Inc.	Stepdown Subsidiary company	NA
10) Unetixs Vascular Inc	Stepdown Subsidiary company	NA
11) Eurocor Gmbh	Stepdown Subsidiary company	NA
12) Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	NA
13) Eurocor (S) Pte. Ltd.	Stepdown Subsidiary company	NA
14) Altron Hotels Pvt Ltd	Associate Company	NA

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) Somadas G C	Key Management Personnel
6) Guruprasad A	Key Management Personnel
7) Supriya Kulkarni	Key Management Personnel

33B - RELATED PARTY TRANSACTIONS:

(Amount in ₹)

Nature of Transactions & Name of Related Party	Description of Relationship	Amount of Transaction	
		2017-18	2016-17
PURCHASES			
Raw Materials & Consumables			
Mediaid Inc	Subsidiary Company	2,49,343	82,403
Criticare Technologies, Inc.	Stepdown Subsidiary company	-	14,50,695
SALES			
Finished Goods			
Mediaid Inc	Subsidiary Company	35,46,375	35,00,510
Criticare Technologies, Inc.	Stepdown Subsidiary company	5,61,17,638	3,43,81,499
Unetixs Vascular Inc	Stepdown Subsidiary company	-	4,61,61,000

Nature of Transactions & Name of Related Party	Description of Relationship	Amount of Transaction	
		2017-18	2016-17
Loans & Advances (Debit Balance)			
Advanced Micronic Devices Limited	Subsidiary Company	16,42,57,739	16,15,19,239
Opto Eurocor Healthcare Limited	Subsidiary Company	1,65,89,21,625	1,65,48,77,528
Opto Cardiac Care Limited	Subsidiary Company	5,51,57,33,790	5,16,33,65,286
Mediaid Inc	Subsidiary Company	31,33,15,914	31,33,15,913
Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	10,80,43,748	10,80,43,748
Eurocor GmbH	Stepdown Subsidiary company	16,00,97,255	10,78,64,778
Loans & Advances (Credit Balance)			
Criticare Technologies	Stepdown Subsidiary company	3,68,00,127	2,97,94,993
Devon Innovations Private Limited	Subsidiary Company	14,89,97,205	13,67,79,811
Mediaid Inc	Subsidiary Company	1,29,52,747	1,29,52,747
Ormed Medical Technology Limited	Subsidiary Company	1,26,73,286	1,26,73,286
Opto Infrastructure Limited	Subsidiary Company	62,31,77,531	54,11,39,233
Unetixs Vascular Inc	Stepdown Subsidiary company	1,98,50,932	1,98,50,932
Criticare systems(m) sdn bhd	Stepdown Subsidiary company	1,22,81,327	1,37,81,327
Vinod Ramnani	Key Management Personnel	9,36,83,328	12,66,48,604
Usha Ramnani	Relative of Director	3,85,64,415	5,84,55,813
Jayesh C Patel	Key Management Personnel	3,90,00,000	3,90,00,000
Srinivas M	Key Management Personnel(2016-17)	2,34,890	16,34,890
Bhaskar Valiveti	Key Management Personnel(2016-17)	-	11,31,30,000
Sundry Debtors (Balances)			
Mediaid Inc	Subsidiary Company	2,37,45,289	2,11,74,281
Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	4,81,234	4,81,234
Criticare systems(m) sdn bhd	Stepdown Subsidiary company	1,70,177	1,70,177
Criticare Technologies, Inc.	Stepdown Subsidiary company	3,40,15,034	1,62,41,374
Opto cardiac care ltd	Subsidiary Company	14,92,428	14,92,428
UNETIXS VASCULAR INC	Stepdown Subsidiary company	16,37,10,840	16,37,10,840
OPTO CIRCUITS (M) SDN BHD	Subsidiary Company	50,71,442	50,71,442
Sundry Creditors (Balances)			
Advanced Micronic Devices Limited	Subsidiary Company	32,224	32,224
Criticare Technologies, Inc.	Stepdown Subsidiary company	52,65,637	52,65,637
Mediaid Inc	Subsidiary Company	13,79,15,400	13,85,87,482

NOTE 34

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

As per our report of even date attached

For B V SWAMI & Co.,
Chartered Accountants

For and on behalf of the Board of
OPTO CIRCUITS (INDIA) LIMITED

A. AMARANATH

Partner
Membership No. 213629
Firm Registration Number: 009151S

Vinod Ramnani

Chairman
(DIN-01580173)

G C Somadas

Managing Director
(DIN-00678824)

Place: Bengaluru
Date: 30/04/2018

Guruprasad A

Chief Financial Officer

Supriya Kulkarni

Company Secretary

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF OPTO CIRCUITS (INDIA) LIMITED

REPORT ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

We have audited the accompanying Consolidated Ind AS Financial Statements of Opto Circuits (India) Limited ('the Company') and its subsidiaries (collectively referred to as the Group'), comprising the Consolidated Balance Sheet as at 31st March, 2018, the Consolidated statement of Profit and Loss, (including other comprehensive income/loss) ,the Consolidated Cash Flow statement and consolidated statement of changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the Consolidated Ind AS Financial Statements').

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS 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 including other comprehensive income/loss, consolidated cash flows and consolidated changes in equity of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act. 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 consolidated Ind AS 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 Ind AS financial statements by the Board of Directors of the Company's, as aforesaid.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS Financial Statements based on our audit. While conducting our 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 Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS 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 Company's 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 Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS 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 Ind AS financial statement

BASIS FOR QUALIFIED OPINION

1 Non Moving Stock

During the course of audit we have observed that The company AMDL has stock Multi Para Patient Monitors and other equipment's were non moving resulted in not being sold aggregating ₹370.26 Lakhs. Out of which stock worth ₹136.75 Lakhs lying in the customs bonded warehouse. These non-moving stocks have shelf life. Management has not assessed realizable value of above said non moving stocks.

2 Long outstanding Receivables/payables:

(i) In the case of Company's Opto Circuits(India) Regarding the trade receivables amounting to ₹23,079.90 Lakhs (includes dues ₹21,871.88 Lakhs more than 36 months), Trade Payables amounting to ₹5,055.30 Lakhs (Overseas payables ₹2,123.83 Lakhs more than 36 months), there are no confirmation of balances available supporting the outstanding receivables and payables. Although receivables of ₹21,871.88 Lakhs and payables of ₹2,123.83 Lakhs over 36 months, the provisioning/write off of such debts and write back of liabilities could not be ascertained.

(ii) Similarly In One of its subsidiary AMDL we have also noticed bills receivable amounting to ₹344.71 Lakhs relating to foreign branch operation were not realized for more than 360 days as on 31 March 2018. The Company has not obtained confirmation of balances of Trade Receivables as on 31st March 2018.

The management has not made assessment about recoverability of these receivables and has not made necessary provisions for bad and doubtful debt.

(iii) Further in case of Advance Micronic Devices Limited that bills payable amounting to ₹1463.76 Lakhs were outstanding for more than 360 days as on 31st March 2018. The company has not obtained confirmation of balances of these creditors as on 31st March 2018. In the

absence of such confirmation we are unable to certify the existence of these Trade Payables.

- 3 The Company holds investment in its Subsidiary Opto Cardiac Care Limited amounting to ₹20,005.50 Lakhs and advances amounting to ₹55,157.34 Lakhs and has not been able to ascertain the impairment loss of investments and advances in this subsidiary which has reported a consolidated negative net worth of ₹3,531.35 Lakhs as against the carrying amount of ₹75,162.84 Lakhs.
- 4 The company has the following short term borrowings from the banks as on the date of balance sheet:

Name of the bank	Facility	Amount (in ₹ Lakhs)
Bank of Nova Scotia Ltd	Working Capital	11890.92
HDFC bank Ltd	Working Capital/ Term Loan	5817.60
State Bank of India	Working Capital	16253.78
Yes Bank Ltd	Working Capital	3043.47
TOTAL		37005.77

- (i) Banks have classified these liabilities as NPA/ Irregular Advances and as such not charging the interest accordingly finance cost/interest is not provided for
- (ii) The Bank of Nova Scotia Ltd 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 the bankers have filed winding up petition in the Hon'ble High Court of Karnataka against the company, for which no provision of interest is made in the financial statements as these Banks have categorized the respective borrowings as NPA. Management is negotiating for One Time Settlement (OTS)/Compromise Settlement from State Bank of India, Bank of Nova Scotia Ltd and HDFC Bank Ltd.
- (iii) 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 and has put up notice for auctioning of the property, the management is negotiating for One Time Settlement (OTS)/Compromise Settlement.

5. Opto Circuits (India) Ltd has given advance of ₹1,642.25 Lakhs and investment of ₹524.61 Lakhs to its subsidiary, Advanced Micronic Devices Ltd (holding 59% of shareholding). The subsidiary has stopped its business operation since July 2015 reported a negative net worth of ₹4,688.15 Lakhs .In this situation it is difficult to realize these amount and company has not made necessary provision in this regard for the Impairment Loss.

6. Impairment of Non-Current Investment/ Intangible assets

In view of the Ind AS 36 Impairment of Assets,

(i) Similarly based on our review of the certified financials provided by the Management of the subsidiary company – Eurocor GMBH, Germany, we are of the opinion that the Investments in the subsidiary is impaired, and the company has not made the provision for such Impairment loss in the books of accounts. The amount of Impairment loss not so provided in the books of accounts is ₹9,533.63 lakhs.

(ii) The management of the company as group has to demonstrate how the Intangible Asset will generate the probable future economic benefits, also has to allocate the resources to complete, use and obtain the benefit from the Intangible Asset. As per the representations received from the company's Management, the management was not able to allocate any resource due to non availability of Financials resources. Hence, we are unable to comment on the carrying value of ₹32,624.35Lakhs of such Intangible asset as detailed below.

Name of the company	Carrying value of intangible assets (₹in lakhs)
Opto Circuits (India) Ltd	15,710.43
Opto Cardiac Care Ltd(Group)	7,453.75
Opto Eurocore Health Care Ltd(Group)	9,460.17
TOTAL	32,624.35

7. We also observed that AMDL has a branch at USA. 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 verification to check the correctness of the entries.

These entries are certified by management, where in the branch share of assets are ₹356.50 Lakhs. 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

8. According to the information and explanation given to us and on the basis of our examination of books of account we observed, AMDL has defaulted in payment of ₹329.49 Lakhs towards full and final settlement of their employees as on 31.03.2018.

9. Loans and Advances is in violation of the provisions of section 186 of the companies Act 2013

One of its subsidiary Devon Innovation Pvt Ltd in earlier years has made advance to its Company's M/s. Opto Circuits (India) Limited and related associate company Advance Micronics Devices Limited, a sum of ₹1,440.79 Lakhs and ₹150.62 Lakhs respectively, and has not provided for interest receivable as required to the provisions of section 186(7) of the Companies Act, 2013.

One of its subsidiary OEHL in earlier years has made advance to AMDL of ₹143.28 and the company has not provided for interest receivable as per the required provisions of Section 186(7) of the Companies Act, 2013.

10. The related associate company Advanced Micronics Devices Limited has reported negative net-worth of ₹4,637.48 Lakhs as on 31st March 2017. Hence the advance given to AMDL by Devon, OEHL,OIL and Ormed of ₹150.62 Lakhs, ₹143.28 Lakhs, ₹163.28 Lakhs and ₹40.33 Lakhs respectively is doubtful for recovery as these company's has not provided for any impairment loss in their books of accounts.

11. Similarly subsidiary Opto Infrastructure Ltd in earlier years made advances to its holding M/S Opto Circuits (India) Limited and associate company Advance Micronics Devices Limited a sum of ₹6,213.81 and ₹163.28 lakhs respectively, and has not accounted for interest receivable as per the required to the provision of Section 186(7) of the Companies Act, 2013.
12. One of its Subsidiary OCCL has Claims receivable not acknowledged as debt of ₹31,220 lakhs regarding the investment made in Cardiac Science Corporation USA and Criticare Systems Inc USA is due to hostile takeover and pending bankruptcy court proceedings. Provision is not made for impairment loss of this extinguished investment to the extent of ₹31,220 Lakhs.

QUALIFIED OPINION

Subject to the above qualifications, in our opinion and to the best of our information and according to the explanation given to us and based on the consideration of the reports of the other auditors referred to in paragraph below:

- (i) The statement includes results of the following subsidiaries-Advanced Micronic Devices Ltd , Mediaid Inc USA , Opto Cardiac Care Ltd, Opto Eurocore Health care Ltd Opto Infrastucture Ltd, Devon Innovations Pvt Ltd , Ormed medical technology Ltd .
- (ii) The statement together with the notes thereon are presented in accordance with the requirements prescribed under the listing regulation in this regard and
- (iii) The Annual Consolidated Audited Results for the year ended March 31,2018 as set out in the statement gives a true and fair view of the net loss (including other comprehensive income/ loss) and other financial information for the year ended March 31.2018 in accordance with the accounting principles generally accepted in India.

EMPHASIS OF MATTERS

1. Company along with its step down subsidiary (Cardiac Science Corporation) had borrowed funds from DBS Bank Ltd. In the year 2014-15 the said loan was restructured and as part of the said process ₹12678.41 Lakhs borrowed by the company was also restructured. As per the terms of the agreement with DBS Bank Ltd , upon default by step down subsidiary (Cardiac Science Corporation) the bank exercised their rights and assigned the debts to a third party and also exercised proxy voting rights to take management control of the company . As a result of this the loan borrowed by the company to the tune of Rs. 12678.41 Lakhs stands extinguished. DBS Bank has objected to the stand taken by the Company.

The Company has raised objections to the stand taken by DBS Bank and filed an original suite before the jurisdictional Civil Court. The suit is pending before courts

The Company also made a claim of USD 160.82 Million against DBS Bank Ltd vide its letter dated 24th January, 2017 and this claim is part of the above petition filed before the Hon'ble Court and DRT-Bangalore recovery proceedings. Since matter is sub-judice , we cannot express our opinion on the above claims and its impact on financial liability.

2. With respect to debt with Standard Chartered Bank Ltd the company has made and agreed for negotiated settlement with the Standard Chartered Bank for ₹6,200 Lakhs as against outstanding liability of ₹21,521.78 Lakhs. The differential amount of ₹15,321.78 Lakhs has been treated as contingent liability until the final settlement of agreed amount.
3. 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.

(A) Audited financial statements:

(₹ in Lakhs)

Name	Relationship with the Opto Circuits(India) Ltd	Contribution Towards Assets	Contribution Towards Revenue
Opto Cardiac Care Ltd	Subsidiary.	53884.04	NIL
Opto Eurocor HealthCare Ltd	Subsidiary.	25355.24	20.57
Opto Infrastructure Ltd	Subsidiary.	27758.88	NIL
Ormed Medical Technology Limited	Subsidiary.	672.30	729.80
Devon Innovation Pvt Ltd	Subsidiary.	2588.99	814.27
Total (A)		110259.45	1564.64

(B) Unaudited financial statements:

(₹ in Lakhs)

Name	Relationship with the Opto Circuits(India) Ltd	Contribution Towards Assets	Contribution Towards Revenue
Mediaid Inc U.S.A	Subsidiary	30565.12	679.76
Eurocor Asia SdnBhd, (Subsidiary Of Opto Eurocor Health Care Ltd)	Step-Down Subsidiary	1428.80	NIL
Eurocor Singapore Pte Ltd, (Subsidiary Of Opto Eurocor Health Care Ltd)	Step-Down Subsidiary	3871.00	NIL
Eurocor Gmbh Group, (Subsidiary Of Opto Eurocor Health Care Ltd)	Step-Down Subsidiary	26415.08	6293.43
CTI, USA, (Subsidiary Of Opto Cardiac Care Ltd)	Step-Down Subsidiary	11362.65	3548.93
Unitexs Vascular Inc.,USA, (Subsidiary Of Opto Cardiac Care Ltd)	Step-Down Subsidiary	5659.61	4684.59
Opto Malaysia Sdn Bhd	Subsidiary	37.26	NIL
Total (B)		79339.52	15206.71
Grand Total (A+B)		189598.97	16771.35

To sum up, above mentioned subsidiaries reflects total assets and total revenue as against the consolidated total assets and total revenue as mentioned below: (₹ in Lakhs)

	Audited Financial statements	Unaudited financial statements	Consolidated financial statements (Opto circuits (India) Ltd group)
Revenue	1564.64	15206.71	16771.35
Assets	110259.45	79339.52	189598.97

We have relied on the below unaudited financial statements of subsidiaries :

Mediaid Inc U.S.A, Eurocor Asia Sdn Bhd, Eurocor Singapore Pte Ltd, Eurocor Poland Sp Zoo, and Eurocor GmbH Germany, Opto Malaysia Sdn bnd.

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 did not audit the financial statements of Five Indian subsidiaries/step down subsidiaries included in the statement whose financial statements reflect total assets of ₹1,10,259.45 Lakhs as at March 31 2018 and Total revenue of ₹1,564.64 Lakhs and ₹259.48 Lakhs Net Loss for the year ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the financial results to the extent they have been derived from such Financial Statement is based solely on the report of such auditor.

Our opinion on the consolidated Ind AS financial statements above and our report on other Legal and Regulatory requirements below is not modified in respect of the above matters with respect to our reliance on work done and the reports of the other auditors in respect of audited subsidiaries and approval of respective Chief executive officers/key management personnel wherever applicable in respect of unaudited financial statements.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. 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 Ind AS Financial Statements.
 - b) In our opinion, except for the indeterminate effects of the matters described in the Basis for qualified Opinion paragraph, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS 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, Consolidated changes in equity 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 Ind AS Financial Statements.
 - d) In our opinion, except for the indeterminate effects of the matters described in the Basis for qualified Opinion paragraph, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and companies (Indian Accounting Standards) amendment Rules, 2016.
 - e) On the basis of the written representations received from the directors of the Company's as on 31 March 2018 taken on record by the Board of Directors of the Company's and 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 the Group Companies incorporated in India is disqualified as on 31 March 2018 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 adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting of the company and its subsidiary companies incorporated in India
- g) 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 and also the other financial information of a subsidiary as noted in the 'Other Matter' paragraph:
 - i) The consolidated Ind AS financial statements disclosed the impact of pending litigations on its financial statements: -Refer Note 16 & 32
 - 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 Investor Education and Protection Fund by the Company during the year ended 31 March 2018.

For B. V. Swami & Co.,
Chartered Accountants

[A. Amaranath]

Partner

Membership Number : 213629

Firm Reg No : 009151S

Place: Bangalore

Date: 30 April 2018

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under "Report on other Legal and Regulatory Requirements" section of our report of even date)

Report on the Internal Financial Controls under clause (I) of subsection 3 of section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of the Opto Circuits (India) Limited ('the Company's') and its subsidiary companies which are companies incorporated in India for the year ended 31 March 2018, In conjunction with our audit of the consolidated financial statements of the Company as at March 31 2018.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and audit evidence obtained by other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use,

or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

We believe that the audit evidence we have obtained and audit evidence obtained by other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and

appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to Subsidiaries which are incorporated in India, is based on the corresponding report of the auditors of such company.

For B. V. Swami & Co.,

Chartered Accountants

[A. Amaranath]

Partner

Membership Number: 213629

Firm Reg NO: 009151S

Place: Bangalore

Date: 30 April 2018

CONSOLIDATED BALANCE SHEET AS AT MARCH 2018

(Amount in ₹)

PARTICULARS	Note No.	March 31, 2018	March 31, 2017
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	1	3,05,24,51,147	3,18,07,15,387
Capital work-in-progress	2	1,44,41,280	31,93,92,298
Investment Property			
Goodwill	3	37,14,05,994	37,14,05,994
Other Intangible Assets	4	54,12,887	1,04,57,533
Intangible assets under development	4a	3,54,37,88,330	2,71,24,36,498
Financial assets			
(i) Investments	5	2,02,000	1,02,000
(ii) Trade Receivables	6	5,79,27,03,992	7,11,57,04,589
(iii) Loans	7	54,63,916	43,16,24,372
(iv) Other financial assets	8	57,42,812	58,90,440
Deferred tax assets (net)	9	3,80,40,612	75,33,789
Other non-current assets	10	1,56,01,92,879	2,36,70,04,002
TOTAL NON - CURRENT ASSETS		14,38,98,45,849	16,52,22,66,902
CURRENT ASSETS			
Inventories	11	98,41,06,660	2,23,07,71,250
Financial assets			
(i) Investments	5	-	-
(ii) Trade receivables	6	37,66,76,348	2,42,17,00,853
(iii) Cash and cash equivalents	12	8,73,83,858	8,12,20,017
(iv) Other balances with banks	13	2,42,21,087	27,50,220
(v) Loans	7	28,93,139	30,41,493
(vi) Other financial assets	8	28,22,466	21,19,231
Current Tax Assets	9	39,22,30,850	40,36,24,124
Other current assets	10	3,87,09,41,171	19,63,09,509
TOTAL CURRENT ASSETS		5,74,12,75,579	5,34,15,36,697
TOTAL ASSETS		20,13,11,21,428	21,86,38,03,599
EQUITY AND LIABILITIES			
EQUITY			
(a) Share capital	14	2,87,49,54,060	2,42,31,94,070
(b) Other equity	15	6,55,09,43,933	6,11,65,86,705
Equity attributable to shareholders of the company		9,42,58,97,993	8,53,97,80,775
Non-Controlling Interest		11,89,46,385	13,25,61,908
TOTAL EQUITY		9,54,48,44,378	8,67,23,42,683
LIABILITIES			
NON-CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings	16	11,73,43,183	43,79,60,289
(ii) Trade payables	17	67,19,18,217	62,53,67,272
(iii) Other financial liabilities	18	-	-
Provisions	19	61,59,161	4,05,50,779
Deferred tax liabilities (net)	9	-	-
Other non-current liabilities	20	-	-
TOTAL NON - CURRENT LIABILITIES		79,54,20,561	1,10,38,78,340
CURRENT LIABILITIES			
Financial liabilities			
(i) Borrowings	16	8,24,04,51,217	9,21,25,62,208
(ii) Trade Payables	17	29,99,90,907	39,87,38,848
(iii) Other financial liabilities	18	84,65,81,735	2,09,76,88,142
Other current liabilities	20	31,10,06,397	17,65,85,481
Provisions	19	8,72,71,488	3,42,11,969
Current tax liabilities	9	55,54,745	16,77,95,928
TOTAL CURRENT LIABILITIES		9,79,08,56,489	12,08,75,82,576
TOTAL EQUITY AND LIABILITIES		20,13,11,21,428	21,86,38,03,599

The accompanying notes form an integral part of the consolidated financial statements

As per our report of even date attached

For B V SWAMI & Co.,
Chartered Accountants

For and on behalf of the Board of
OPTO CIRCUITS (INDIA) LIMITED

A. AMARANATH
Partner
Membership No. 213629
Firm Registration Number: 009151S

Vinod Ramnani
Chairman
(DIN-01580173)

G C Somadas
Managing Director
(DIN-00678824)

Place: Bengaluru
Date: 30/04/2018

Guruprasad A
Chief Financial Officer

Supriya Kulkarni
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 2018 (Amount in ₹)

PARTICULARS	Note No.	March 31, 2018	March 31, 2017
I. Revenue from operations	21	2,28,36,29,255	2,15,29,19,493
II. Other income, net	22	1,20,76,160	69,50,562
III. Total income (I+II)		2,29,57,05,415	2,15,98,70,055
Expenses			
Cost of materials consumed	23	1,03,00,64,232	93,11,30,567
Purchase of Stock in Trade		1,14,91,774	6,00,69,957
Changes in inventories of FGs,WIP & Stock-in-Trade	24	(30,06,466)	13,29,223
Employee benefit expense	25	36,24,94,081	38,77,01,020
Finance costs	26	5,75,99,020	17,07,13,891
Depreciation and amortisation expense	1 to 4a	12,58,70,398	16,03,39,759
Other expenses	27	36,23,38,076	53,68,03,867
IV. Total expenses (IV)		1,94,68,51,115	2,24,80,88,284
V. Profit/(loss) before exceptional items and tax (III-IV)		34,88,54,300	(8,82,18,229)
VI. Exceptional Items	28	(1,60,29,100)	4,98,67,29,618
VII. Profit/(loss) before tax (V-VI)		36,48,83,400	(5,07,49,47,847)
VIII. Tax expense:			
Current tax	9	89,42,537	81,29,054
Deferred tax	9	42,615	(28,695)
IX. Profit for the period from continuing operations (VII-VIII)		35,58,98,248	(5,08,30,48,206)
X. Profit/(Loss) from discontinued operations		-	-
XI. Tax expense of discontinued operations		-	-
XII. Profit/(Loss) from discontinued operations (after tax) (X - XI)		-	-
XIII. Profit/(loss) for the period (IX+XII)		35,58,98,248	(5,08,30,48,206)
XIV. Other comprehensive income, net of taxes			
Items that will be reclassified subsequently to profit or loss		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
Remeasurement of the net defined benefit liability/asset		-	-
Total other comprehensive income for the year, net of taxes		-	-
Total comprehensive income for the year (XIII + XIV)		35,58,98,248	(5,08,30,48,206)
Profit for the year attributable to:			
Shareholders of the company		34,62,16,125	(5,10,07,24,407)
Non-Controlling Interests		96,82,123	1,76,76,201
		35,58,98,248	(5,08,30,48,206)
XV. Total Comprehensive income for the year attributable to:			
Shareholders of the company		34,62,16,125	(5,10,07,24,407)
Non-Controlling Interests		96,82,123	1,76,76,201
		35,58,98,248	(5,08,30,48,206)
XVI. Earnings per equity share	29		
Equity shares of par value ₹10 each			
Basic (₹)		1.34	(21.05)
Diluted (₹)		1.34	(21.05)
- Basic and Weighted average number of Equity Shares outstanding during the period		25,82,85,720	24,23,19,407

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached

For B V SWAMI & Co.,
Chartered Accountants

A. AMARANATH
Partner
Membership No. 213629
Firm Registration Number: 0091515

Place: Bengaluru
Date: 30/04/2018

For and on behalf of the Board of
OPTO CIRCUITS (INDIA) LIMITED

Vinod Ramnani
Chairman
(DIN-01580173)

Guruprasad A
Chief Financial Officer

G C Somadas
Managing Director
(DIN-00678824)

Supriya Kulkarni
Company Secretary

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 2018

(Amount in ₹)

Particulars	Equity share capital	Share application money pending for allotment	Other Equity							Non-Controlling Interest	Total other equity	
			Capital Reserve	Securities Premium Reserve	Retained earnings	General reserve	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Equity attributable to equity holders of the company			
Balance as of April 1, 2017	2,42,31,94,070			4,34,47,18,356	7,78,49,66,595	1,27,03,42,775		-	1,05,99,22,690	14,45,99,50,419	18,18,53,673	14,64,18,04,092
Changes in equity for the period ended March 31, 2017												
Profit for the year					(5,10,07,24,407)					(5,10,07,24,407)	1,76,76,201	(5,08,30,48,206)
Other comprehensive income												
Total Comprehensive Income for the year					(5,10,07,24,407)					(5,10,07,24,407)	1,76,76,201	(5,08,30,48,206)
Increase in share capital				52,15,26,330						52,15,26,330		52,15,26,330
Changes in accounting policy or prior period errors					(1,57,65,60,316)					(1,57,65,60,316)		(1,57,65,60,316)
Restated balance at the beginning of the reporting period					(2,09,24,33,088)					(2,09,24,33,088)		(2,09,24,33,088)
Remeasurement of the net defined benefit liability/asset, net of tax effect								1,41,84,36,075	(1,52,22,27,515)	(10,37,91,440)		(10,37,91,440)
Remeasurement of obligation to acquire non-controlling interests							86,19,207			86,19,207	(6,69,67,966)	(5,83,48,759)
Balance as of March 31, 2017	2,42,31,94,070			4,86,62,44,686	(98,47,51,213)	1,27,89,61,982	1,41,84,36,075		(46,23,04,825)	6,11,65,86,705	13,25,61,908	6,24,91,48,613
Balance as of April 1, 2017	2,42,31,94,070			4,86,62,44,686	(98,47,51,213)	1,27,89,61,982	1,41,84,36,075		(46,23,04,825)	6,11,65,86,705	13,25,61,908	6,24,91,48,613
Changes in equity for the period ended March 31, 2018												
Profit for the year					34,62,16,125					34,62,16,125	96,82,123	35,58,98,248
Total Comprehensive Income for the year					34,62,16,125					34,62,16,125	96,82,123	35,58,98,248
Increase in share capital												
Changes in accounting policy or prior period errors												
Restated balance at the beginning of the reporting period												
Remeasurement of the net defined benefit liability/asset, net of tax effect												
Remeasurement of obligation to acquire non-controlling interests												
Balance as of March 31, 2018	2,87,49,54,060			5,09,21,24,681	(2,80,49,01,031)	1,27,89,34,832	1,41,84,36,075		3,41,70,140	6,55,09,43,933	11,89,46,385	6,66,98,90,318

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached
For B V SWAMI & Co.,
Chartered Accountants

**For and on behalf of the Board of
OPTO CIRCUITS (INDIA) LIMITED**

A. AMARANATH
Partner
Membership No. 213629
Firm Registration Number: 009151S
Place: Bengaluru
Date: 30/04/2018

Vinod Ramnani
Chairman
(DIN-01580173)

G C Somadas
Managing Director
(DIN-00678824)

Guruprasad A
Chief Financial Officer

Supriya Kulkarni
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT AS ON MARCH 2018

(Amount in ₹)

Particulars		Year ended 31.03.2018	Year ended 31.03.2017
I	Cash flow from operating activities		
	Profit for the year Ended	35,58,98,248	(5,08,30,48,206)
	Adjustments for non operating items		
	Amortisation and other non cash items	(96,87,97,773)	(1,03,37,67,955)
	Depreciation	12,58,70,398	16,03,39,759
	Interest paid on borrowings	5,75,99,020	17,07,13,891
	Interest received on Fixed Deposit	(22,60,604)	(17,44,726)
	Profit / (Loss) Sale of Fixed Assets	(53,13,531)	(1,44,320)
		(43,70,04,242)	(5,78,76,51,557)
	Adjustments for working capital		
	(Increase)/Decrease in inventories	69,66,64,590	2,57,44,25,374
	(Increase)/Decrease in other assets	(2,91,15,16,072)	1,06,89,75,574
	(Increase)/Decrease in sundry debtors	3,36,80,25,102	7,07,04,38,287
	Increase/(Decrease) in current liabilities	(2,82,38,676)	(1,84,09,84,075)
	Cash operating profit/(loss)	68,79,30,702	3,08,52,03,603
	Net cash flow from operations	68,79,30,702	3,08,52,03,603
II.	Cash flow from investing activities		
	Interest received on Fixed Deposit	22,60,604	17,44,726
	Proceeds from Sale of Fixed Assets	53,13,531	1,44,320
	Change in Minority Interest	(1,36,15,523)	(4,92,91,765)
	Proceeds from sale of investments (net)	-	7,000
	Total inflow of cash from investing activities	(60,41,388)	(4,73,95,719)
	Purchase of Fixed Assets	74,38,488	1,56,51,88,078
	Payment towards Capital Work in Progress	30,49,51,018	1,07,59,667
	Product development/approval expenses	(28,13,51,832)	(2,71,24,36,498)
	Net cash flow from investing activities	2,49,96,286	(1,18,38,84,472)
III.	Cash flow from financing activities		
	Proceeds/(Repayment) of Term Loans	(9,67,72,805)	(34,42,71,333)
	Proceeds/(Repayment) of Loans & Advances	42,61,60,456	(43,16,24,372)
	Proceeds/(Repayment) of Working Capital Loans	(44,96,96,784)	4,02,90,604
	Proceeds/(Repayment) of Unsecured Loans	(52,88,54,994)	(1,00,50,26,595)
	Inflow of cash	(64,91,64,127)	(1,74,06,31,696)
	Interest paid on borrowings	(5,75,99,020)	(17,07,13,891)
	Net cash flow from financing activities	(70,67,63,147)	(1,91,13,45,587)
	Total increase in cash & cash equivalents during the year	61,63,841	(1,00,26,456)
	Cash & cash equivalents at the beginning of the year	8,12,20,017	9,12,46,473
	Cash & cash equivalents at the end of the year	8,73,83,858	8,12,20,017
	Note: Figures in brackets represent outflows		

Previous year figures are not comparable due to change in controlling interest of Altron Hotels Pvt Ltd which is not considered for consolidation.

As per our report of even date attached

For B V SWAMI & Co.,
Chartered Accountants

For and on behalf of the Board of
OPTO CIRCUITS (INDIA) LIMITED

A. AMARANATH
Partner
Membership No. 213629
Firm Registration Number: 009151S

Vinod Ramnani
Chairman
(DIN-01580173)

G C Somadas
Managing Director
(DIN-00678824)

Place: Bengaluru
Date: 30/04/2018

Guruprasad A
Chief Financial Officer

Supriya Kulkarni
Company Secretary

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

COMPANY OVERVIEW:

Opto Circuits (India) Limited is engaged in the manufacture and trading of invasive and non-invasive medical equipment's. The company is a public limited company incorporated and domiciled in India and has its register office located at Plot no 83, Electronic city, Phase-1, Hosur Main Road, Bengaluru. The company has its primary listing on BSE and NSE OF India.

The financial statements are approved for issue by the Company's Board of Directors on 30th April 2018.

2) STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

A) Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('Act') (to the extent notified) and guidelines issued by the Securities Exchange of India [SEBI]. The Ind AS as prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) amendment rules, 2016.

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.

B) Use Of Estimates and Judgments

The preparation of financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during

the period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirement of the respective accounting standard. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the Financial Statements.

C) Other Intangible Assets

Intangible Assets are stated at cost less accumulated amortisation and impairment. Intangible Assets are amortized over their respective individual estimated useful lives on a straight line basis from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on number of factors including the effects of obsolescence, demand, competition and other economic factors. Amortisation methods and useful lives are reviewed periodically including at each financial year end.

D) Capital work-in-progress and intangible assets under development

Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost

E) Financial Instruments

a) Initial Recognition

The Company recognizes the Financial asset and Financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted at trade date.

b) Subsequent Measurement

a) Non Derivative Financial Instrument

i) Financial Assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model.

iii) Financial assets at fair value through profit or loss

A financial asset, which is not classified in any of the above categories, is subsequently fair valued through profit or loss.

iv) Financial Liabilities

Financial liabilities are subsequently carried at amortized cost using effective interest method, except for contingent consideration recognized in a business combination, which is subsequently measured at fair value through profit or loss. For trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate

fair value due to the short maturity of these instruments.

v) Investment in Subsidiaries

Investments are stated at cost in accordance with Ind AS 27- Separate Financial statements.

vi) Offsetting of financial Instruments

Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to off set the recognized amounts and there is an intention to settle on a net basis to realize the assets and settle the liabilities simultaneously.

F) Accounting of provisions, contingent liabilities, and contingent assets

A provision is recognized if as a result of past event, the company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is possible obligation or 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.

G) Income Taxes

Provision For Taxation

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

DEFERRED TAX

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Deferred tax asset in the nature of unabsorbed depreciation and losses are recognized only if there is virtual certainty of realization.

H) Revenue Recognition

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

I) Foreign Currency / Functional Currency

The functional currency of the company is Indian Rupee. These financial statements are presented in Indian rupees.

TRANSACTIONS AND TRANSLATIONS

Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at the exchange rates in effect at the balance sheet date. The gains or losses resulting from such transactions are included in the Statement of Profit and Loss. Non-monetary assets and Non – monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non – monetary assets and non – monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Revenue, Expenses and Cash flow items denominated in foreign currencies are translated into relevant functional currencies using the exchange rate in effect on the date of the transaction.

J) Retirement benefits

The company's liability towards retirement benefits in the form of provident fund is full funded and charged to revenue expenditure. The company contribute to the employee

provident fund maintained under the employee's 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. Un availed encashable earned leave is accounted on accrual basis.

K) Earnings Per Share

Basic earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

L) Cash flow Statement

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing, and financing activities of the Company are segregated.

M) Property, Plant and Equipment

Property , plant and equipment are stated at cost, less accumulated depreciation and impairment, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the Management. The company depreciates the property, plant and equipment over their estimated useful lives using the straight line method.

Depreciation methods, useful lives and residual values are reviewed periodically, including at each financial year end.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance sheet date is classified as capital advances under the non current assets and the cost of the assets not ready for use before such date are disclosed under capital work in progress. Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably. Repairs and Maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon the sale or retirement of the asset and the resultant gains or losses are recognized in the statement of Profit and Loss.

N) Recent Accounting Pronouncement

Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration: On March 28, 2018 the Ministry of Corporate Affairs (the MCA) notified the companies (Indian Accounting Standards) Amendment Rules 2018 containing Appendix B to Ind AS 21, Foreign Currency Transactions and Advance Consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or Income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from April 1, 2018. The company has evaluated the effect of this on the financial statements and the impact is not material.

Ind AS 115, Revenue from Contract with Customers : On March 28, 2018 the MCA notified the Ind AS 115. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which

the entity expects to be entitled in exchange for those goods and services. Further, the disclosure requirement of the new standard is for an entity to disclose sufficient information to enable users of the financial statements to understand the nature, amount, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The standard permits an entity can elect to adopt the new standard in a new variety of ways, including retrospectively with or without optional practical expedient or through cumulative effect adjustment as of the start of the first period for which it applies the new standard.

O) Cash and Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and Cash Equivalents consists of balances with banks which are unrestricted for withdrawal and usage.

P) Inventories

Valuations of inventories are at the lower of cost and net realizable value. Cost of the 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 progress 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 location.

Q) Segment Reporting Policies **Identification of segments:**

The Company's operating businesses are organized and managed separately according

to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Intersegment Transfers:

The Company generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

As per our report of even date attached
For B V SWAMI & Co.,
Chartered Accountants

**For and on behalf of the Board of
OPTO CIRCUITS (INDIA) LIMITED**

A. AMARANATH

Partner
Membership No. 213629
Firm Registration Number: 009151S

Vinod Ramnani

Chairman
(DIN-01580173)

G C Somadas

Managing Director
(DIN-00678824)

Place: Bengaluru
Date: 30/04/2018

Guruprasad A
Chief Financial Officer

Supriya Kulkarni
Company Secretary

NOTE. 1 PROPERTY, PLANT & EQUIPMENT

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2018:

(Amount ₹)

Particulars	Land	Buildings	Plant and Equipment	Office equipment	Vehicles	Computer equipment	Furniture and fixtures	Borewell	Electrical Installations	Overseas Assets	Total
Gross carrying value as of April 1, 2017	2,13,00,24,951	26,80,46,676	1,53,06,96,302	2,17,25,820	6,83,46,666	17,98,63,289	5,60,57,207	73,655	11,17,17,786	3,76,63,262	4,40,42,15,614
Additions	-	68,27,503	2,25,44,041	16,84,842	2,15,06,096	1,44,472	-	-	-	-	5,27,06,954
Deletions	(1,84,30,900)	-	-	-	-	-	(1,07,498)	-	-	-	(1,85,38,398)
Adjustments	(4,44,09,137)	43,42,091	14,91,585	(14,40,651)	70,644	(3,56,41,036)	(14,13,279)	-	(5,79,993)	1,19,370	(7,74,60,406)
Gross carrying value as of March 31, 2018	2,06,71,84,914	27,92,16,270	1,55,47,31,928	2,19,70,011	8,99,23,406	14,43,66,725	5,45,36,430	73,655	11,11,37,793	3,77,82,632	4,36,09,23,764
Accumulated depreciation as of April 1, 2017	-	8,52,02,918	71,84,31,476	1,97,83,474	5,52,14,571	17,93,28,936	4,47,31,909	-	8,42,78,356	3,65,28,587	1,22,35,00,227
Depreciation	-	71,66,901	10,57,58,378	14,73,749	61,16,777	2,25,877	37,80,631	-	12,79,145	-	12,58,01,458
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	45,541	-	-	-	45,541
Adjustments	-	16,25,818	(9,31,322)	(15,41,420)	17,82,320	(3,57,23,633)	(17,73,656)	-	(44,28,490)	1,15,774	(4,08,74,609)
Accumulated depreciation as of March 31, 2018	-	9,39,95,637	82,32,58,532	1,97,15,803	6,31,13,668	14,38,31,180	4,67,84,425	-	8,11,29,011	3,66,44,361	1,30,84,72,617
Carrying value as of March 31, 2018	2,06,71,84,914	18,52,20,633	73,14,73,396	22,54,208	2,68,09,738	5,35,545	77,52,005	73,655	3,00,08,782	11,38,271	3,05,24,51,147

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2017:

(Amount ₹)

Particulars	Land	Buildings	Plant and Equipment	Office equipment	Vehicles	Computer equipment	Furniture and fixtures	Borewell	Electrical Installations	Overseas Assets	Total
Gross carrying value as of April 1, 2016	11,75,06,846	26,67,31,032	1,53,32,79,400	2,21,55,389	6,04,43,202	18,62,70,049	5,73,92,848	73,655	12,80,61,664	3,85,31,267	2,41,04,45,352
Additions	2,01,32,00,890	64,15,855	1,19,51,312	-	79,99,188	31,756	-	-	-	-	2,03,95,99,001
Deletions	-	-	-	-	-	-	(2,25,005)	-	-	-	(2,25,005)
Adjustments	(6,82,785)	(51,00,211)	(1,45,34,410)	(4,29,569)	(95,724)	(64,38,516)	(11,10,636)	-	(1,63,43,878)	(8,68,005)	(4,56,03,734)
Gross carrying value as of March 31, 2017	2,13,00,24,951	26,80,46,676	1,53,06,96,302	2,17,25,820	6,83,46,666	17,98,63,289	5,60,57,207	73,655	11,17,17,786	3,76,63,262	4,40,42,15,614
Accumulated depreciation as of April 1, 2016	-	7,87,45,593	60,71,50,133	1,73,58,912	5,34,04,031	18,38,20,145	4,12,21,066	-	8,17,13,634	3,73,70,441	1,10,07,83,955
Depreciation	-	73,74,523	11,96,58,511	22,25,691	19,06,263	17,33,217	41,68,042	-	1,36,72,462	-	15,07,38,709
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-	-	(8,41,854)	(8,41,854)
Adjustments	-	(9,17,198)	(83,77,168)	1,98,871	(95,723)	(62,24,426)	(6,57,199)	-	(1,11,07,740)	-	(2,71,80,583)
Accumulated depreciation as of March 31, 2017	-	8,52,02,918	71,84,31,476	1,97,83,474	5,52,14,571	17,93,28,936	4,47,31,909	-	8,42,78,356	3,65,28,587	1,22,35,00,227
Carrying value as of March 31, 2017	2,13,00,24,951	18,28,43,758	81,22,64,826	19,42,346	1,31,32,095	5,34,353	1,13,25,298	73,655	2,74,39,430	11,34,675	3,18,07,15,387

NOTE: 2 CAPITAL WORK IN PROGRESS

(Amount in ₹)

Particulars	2018	2017
Gross carrying value as at April 1st	31,93,92,298	33,01,51,964
Additions	1,44,41,280	32,70,109
Deletions	(31,93,92,298)	-
Adjustments	-	(1,40,29,775)
Gross carrying value as at March 31st	1,44,41,280	31,93,92,298
Accumulated depreciation as at April 1st		
Depreciation	-	-
Accumulated depreciation on deletions	-	-
Impairment losses	-	-
Adjustments	-	-
Accumulated depreciation as at March 31st	-	-
Carrying value as at March 31st	1,44,41,280	31,93,92,298

NOTE. 3 GOOD WILL

(Amount in ₹)

Particulars	2018	2017
Gross carrying value as at April 1st	37,14,05,994	1,32,20,50,729
Additions		
(Less) Impairment	-	1,45,87,90,740
(Less) Disposal & other adjustments	-	(50,81,46,005)
Gross carrying value as at March 31st	37,14,05,994	37,14,05,994

- a. During FY 2016-17 Opto Eurocor Healthcare Ltd sold investment in N S Remedies Pvt Ltd, similarly financials of Criticare Systems Sdn Bhd is not considered for consolidation (refer Note No.15(4), Hence, to the extend goodwill arised on acquisition of above subsidiaries is reversed.
- b. During FY 2017-18 share holding of Opto Infrastructure Ltd in Altron Hotels Pvt Ltd has changed from 100% to 49% due to issue of new shares by Altron Hotels Pvt Ltd. to other share holder. Due to this event we have derecognised the assets & liabilites of Altron Hotels Pvt Ltd. for consolidation.

NOTE. 4 OTHER INTANGIBLE ASSETS

(Amount in ₹)

Particulars	Good Will	Brand or Trade marks	Computer Software	Copyrights, Patents, IPR	Recipes, Formulae, Models, designs & Prototypes	Customer Relationship	Total
Gross carrying value as at April 1, 2017	60,00,000	-	4,02,13,328		2,20,50,13,514	-	2,25,12,26,842
Additions	-		9,98,213	-	-	-	9,98,213
Deletions	(60,00,000)		-	-	-	-	(60,00,000)
Adjustments	-		15,400	-	16,46,25,374	-	16,46,40,774
Gross carrying value as at March 31, 2018	-	-	4,12,26,941	-	2,36,96,38,888	-	2,41,08,65,829

Particulars	Good Will	Brand or Trade marks	Computer Software	Copyrights, Patents, IPR	Recipes, Formulae, Models, designs & Prototypes	Customer Relationship	Total
Accumulated depreciation as at April 1, 2017	-	-	3,58,52,673	-	2,20,49,16,636	-	2,24,07,69,309
Depreciation	-	-	-	-	68,940	-	68,940
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-
Adjustments	-	-	-	-	16,46,14,693	-	16,46,14,693
Accumulated depreciation as at March 31, 2018	-	-	3,58,52,673	-	2,36,96,00,269	-	2,40,54,52,942
Carrying value as at March 31, 2018	-	-	53,74,268	-	38,619	-	54,12,887
Gross carrying value as at April 1, 2016	60,00,000	-	4,03,33,080	-	2,25,31,86,386	-	2,29,95,19,466
Additions	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-
Adjustments	-	-	(1,19,752)	-	(4,81,72,872)	-	(4,82,92,624)
Gross carrying value as at March 31, 2017	60,00,000	-	4,02,13,328	-	2,20,50,13,514	-	2,25,12,26,842
Accumulated depreciation as at April 1, 2016	-	-	3,58,71,913	-	2,22,66,82,389	-	2,26,25,54,302
Depreciation	-	-	14	-	96,01,036	-	96,01,050
Accumulated depreciation on deletions	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-
Adjustments	-	-	(19,254)	-	(3,13,66,789)	-	(3,13,86,043)
Accumulated depreciation as at March 31, 2017	-	-	3,58,52,673	-	2,20,49,16,636	-	2,24,07,69,309
Carrying value as at March 31, 2017	60,00,000	-	43,60,655	-	96,878	-	1,04,57,533

NOTE. 4a INTANGIBLE ASSETS UNDER DEVELOPMENT

(Amount in ₹)

Particulars	2018	2017
Gross carrying value as at 1st, April	2,71,24,36,498	2,71,24,36,498
Additions	83,09,07,381	-
Impairment	-	-
(Less): Disposal & other adjustments	4,44,451	-
Gross carrying value as at 31st, March	3,54,37,88,330	2,71,24,36,498

Product Development costs incurred on new products are recognised as intangible assets, the company has incurred technical, financial, and other resources to complete the development and it is probable that the asset will generate probable future economic benefits.

The costs capitalised include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to date the asset is available for use.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment loss.

NOTE. 5 INVESTMENTS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non-current investments		
Long term investments - at cost		
<i>Trade (unquoted)</i>		
Investments in equity instruments of Associates		
<i>Altron Hotels Pvt Ltd</i>	1,00,000	-
Investments in equity instruments of Others		
<i>Microland Ltd</i>	1,02,000	1,02,000
Total non-current investments	2,02,000	1,02,000

- (i) Unquoted investments ₹102,000 market value as certified by the directors.
- (ii) Due to change in controlling interest of Altron Hotels Pvt Ltd, we have recognised value of investment at cost

NOTE 6. TRADE RECEIVABLES

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non-current		
<i>Un-secured</i>		
Considered Good	5,23,91,91,227	7,27,70,00,170
Considered Doubtful	4,13,58,77,898	3,42,05,68,758
	9,37,50,69,125	10,69,75,68,928
Less: Provision for doubtful trade receivables	3,58,23,65,133	3,58,18,64,339
Total	5,79,27,03,992	7,11,57,04,589
Current		
<i>Un-secured</i>		
Considered Good	37,66,76,348	2,42,17,00,853
Total	37,66,76,348	2,42,17,00,853

NOTE 7. LOANS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non-current		
<i>Secured Considered Good</i>		
Security Deposits	47,86,025	66,93,452
	47,86,025	66,93,452
<i>Un-secured Considered Good</i>		
Other loans	6,77,891	42,49,30,920
	6,77,891	42,49,30,920
Total	54,63,916	43,16,24,372
Current		
<i>Un-secured Considered Good</i>		
Other loans	28,93,139	30,41,493
Total	28,93,139	30,41,493

NOTE 8. OTHER FINANCIAL ASSETS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non- current		
Security deposits	57,42,812	58,90,440
Total	57,42,812	58,90,440
Current		
Restricted deposits	17,013	-
Interest accrued but not due	8,73,023	3,16,078
Others	19,32,430	18,03,153
Total	28,22,466	21,19,231

NOTE 9. INCOME TAXES

Income tax expense in the statement of profit and loss comprises:

(Amount in ₹)

Particulars	Year ended March 31,	
	2018	2017
Current taxes	89,42,537	81,29,054
Deferred taxes	42,615	(28,695)
Income tax expense	89,85,152	81,00,359

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.

Income tax assets and income tax liabilities

Particulars	Year ended March 31,	
	2018	2017
Income tax assets	39,22,30,850	40,36,24,124
Income tax assets at the year end	39,22,30,850	40,36,24,124
Income tax / MAT liabilities	55,54,745	16,77,95,928
Income tax / MAT liability at the year end	55,54,745	16,77,95,928

Deferred Tax Assets (Liability) at the end of year

Particulars	Year ended March 31,	
	2018	2017
Net deferred income tax asset at the beginning	75,33,789	19,59,598
Depreciation/Amortisation	(42,615)	28,695
Income tax credits	3,05,49,438	(79,15,372)
Others (net of all taxable and deductible timing differences including provisions/expenditure allowable under warranties, trade receivable, inventory etc)	-	1,34,60,868
Deferred Tax Assets	3,80,40,612	75,33,789
Less : Valuation Allowance	-	-
(iii) Deferred tax asset/(liability) net:	3,80,40,612	75,33,789

Deferred tax assets and deferred tax liabilities have been offset wherever the company has legally enforceable right to set off current tax assets against tax liabilities.

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 10. OTHER ASSETS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non- current		
Capital advances	16,25,265	55,29,06,768
Advance other than capital advances		
Secured Deposits	1,17,08,105	1,34,80,017
Other advances	6,59,46,281	28,46,11,709
Advances to suppliers & services	1,47,72,85,736	1,51,21,85,276
Others	36,27,492	38,20,232
Total	1,56,01,92,879	2,36,70,04,002

Other includes Preliminary expenses & product development expenses incurred by Opto Cardiac Care Ltd & Opto Eurocor Healthcare Ltd which will be written off 1/10th & 1/5th every year respectively.

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Current		
Advance other than capital advances		
(a) Secured Deposits	33,17,140	15,80,702
(b) Advance to related parties	70,53,15,512	-
(c) Other advances	2,99,37,348	6,32,79,670
Staff Advance	6,30,928	32,10,103
Advances to suppliers & services	4,70,711	1,61,68,451
Prepaid expenses	7,05,257	69,91,448
Withholding and other taxes receivable	11,57,463	31,88,234
Others	3,12,94,06,812	10,18,90,901
Total	3,87,09,41,171	19,63,09,509

- a. Advances to supplier & services are given in the normal course of business operations.
- b. Claims receivable not acknowledged as debt of ₹31,220 lakhs regarding the investment made in Cardiac Science Corporation USA and Criticare Systems Inc USA is due to hostile take over and pending bankruptcy court proceedings. Provision is not made for impairment loss of this extinguished investment to the extent of ₹31,220 lakhs.

NOTE 11. INVENTORIES

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Raw materials	1,15,62,90,255	1,41,07,40,028
Work - in - Progress	37,27,78,599	92,40,40,879
Finished Goods	3,42,08,275	2,95,67,707
Traded goods	3,70,26,975	-
Less : Provision for impairment loss in inventory value of OEHL.	(16,42,03,765)	(16,42,03,765)
Less : Stock related to Singapore, Asia & Poland	(48,64,15,968)	-
(ii) Others	3,44,22,289	3,06,26,401
Total	98,41,06,660	2,23,07,71,250

- The Company regains its business at Vizag unit from September 2017, earlier which was suspended its operations for 5 months i.e April 2017 to August 2017
- SEZ Stock of ₹5,500 lakhs are capitalised as intangible assets under development and ₹3,300 lakhs transferred to SEZ Unit of OCCL.
The company has lodged claim with insurance company and the actual loss yet to be determined
- Closing stock includes stocks of Opto Eurocor Healthcare Limited which have become obsolete due to expiry of their shelf life , hence provision for such non moving stock was made by the company in the financial year 2016-17
- Eurocor Singapore / Asia / Poland are not in operation therefore value of stock is not considered.
- Inventory value is net off provision made for impairment loss in value of inventory to the extent of ₹13,997.47 lakhs.
- Others includes goods in transit.

NOTE 12. CASH AND CASH EQUIVALENTS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Balances with banks in -		
In current and deposit accounts	8,64,60,591	7,73,56,292
Cash on hand	9,23,267	38,63,725
Total	8,73,83,858	8,12,20,017

NOTE 13. OTHER BALANCES WITH BANK

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Other balances with banks consist of the following:		
In current and deposit accounts		
Earmarked Balances	17,53,387	20,31,581
Margin Money	16,32,608	7,18,639
Deposits with financial institution	2,08,35,092	-
Total	2,42,21,087	27,50,220

NOTE 14. EQUITY SHARE CAPITAL

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Authorized		
Equity shares, ₹10/- par value		
375,000,000 Equity shares of ₹10 each	37,50,00,000	37,50,00,000
Issued, Subscribed and Paid-Up		
287,495,406 Equity Shares of ₹10/- each	2,87,49,54,060	2,42,31,94,070
Total	2,87,49,54,060	2,42,31,94,070

Out of the above-

- i) 3,66,01,318 Equity shares fully paid are allotted to Opto Eurocor Healthcare Limited (OEHL) pursuant to contract with OEHL against purchase of 14,07,743 fully paid Equity shares of OEHL other than cash. The balance number of 85,74,681 shares are issued towards repayment of unsecured loans of the company.
- ii) 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.

A. Reconciliation of the no. of shares outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2018	As at March 31, 2017
	No of shares	No of shares
No of shares outstanding at the beginning of the year	24,23,19,407	24,23,19,407
Add: Shares issued during the reporting period	4,51,75,999	-
Add: Issue of shares by conversion of share warrants	-	-
No of shares outstanding at the end of the year	28,74,95,406	24,23,19,407

The details of shareholder holding more than 5% shares as at March 31, 2018 and March 31, 2017 are set out below:

Name of the shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of shares	% held	Number of shares	% held
Vinod Parasram Ramnani	3,41,43,581	11.88%	3,40,43,581	14.05%

NOTE 15 - OTHER EQUITY

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Capital Reserves:		
As per last Balance Sheet		-
Additions during the year	1,53,21,79,236	-
Less: Transfer to Bonus share		-
	1,53,21,79,236	-

Particulars	As at	
	March 31, 2018	March 31, 2017
Securities Premium Account:		
As per last Balance Sheet	4,86,62,44,686	4,34,47,18,356
Additions on shares issued during the year	22,58,79,995	52,15,26,330
Less: Bonus Issue of Shares	-	-
	5,09,21,24,681	4,86,62,44,686
General Reserve:		
As per last Balance Sheet	1,27,89,61,982	1,27,03,42,775
Add: Transfer from Profit & Loss Account	(27,150)	86,19,207
	1,27,89,34,832	1,27,89,61,982
Foreign Currency Translation Reserve		
As per last Balance Sheet	(46,23,04,825)	1,05,99,22,690
Add: Adjustment for translation of Non Integral Foreign Operations	49,64,74,965	(1,52,22,27,515)
	3,41,70,140	(46,23,04,825)
Revaluation Reserve:		
As per last Balance Sheet	1,41,84,36,075	-
Addition during the year (net)	-	1,41,84,36,075
	1,41,84,36,075	1,41,84,36,075
Retained Earnings:		
As per last Balance Sheet	(98,47,51,213)	7,78,49,66,598
Add: Appropriations in Changes in accounting policy or prior period errors	(1,53,60,46,225)	(1,57,65,60,316)
Add: Remeasurement of the net defined benefit liability/asset, net of tax effect	(3,22,78,59,493)	-
Net Surplus	(5,74,86,56,931)	6,20,84,06,282
Add: Profit/(Loss) for the period	34,62,16,125	(5,10,07,24,407)
Less: Appropriations		
Transfer to reserves	(2,59,75,39,775)	2,09,24,33,088
	(2,80,49,01,031)	(98,47,51,213)
Total Other Equity	6,55,09,43,933	6,11,65,86,705

- 1) DBS Bank Ltd had sanctioned loan for acquisition of Cardiac Science Corporation, USA(CSC) & had sanctioned loan to Opto Circuits (India) Ltd for working capital requirement & term loan. Entire equity shares of Cardiac Science Corporation and Criticare System Inc., wholly owned subsidiary of Opto Cardiac Care Ltd, were pledged with DBS Bank Ltd at the time of restructuring of various loan facilities sanctioned by DBS bank. As per the terms & conditions of the loan agreement, the bank reserved the right to invoke the proxy voting right from existing shareholder (i.e. Opto Cardiac Care Ltd), During June 2015, the DBS bank issued the notice for exercising the rights the holders of pledged shares under agreement executed with the Company. Exercising the proxy right they removed the directors of Cardiac Science Corporation USA and Criticare Systems Inc. USA, & put Criticare Inc. USA for voluntary winding up and Cardiac Science Corporation, USA for bankruptcy under USA Bankruptcy Law. Due to occurrence of the above event, the entire investment in CSC stands impaired & net profit or loss on such impairment is recognised for the purpose of consolidation during FY 2015-16. During the year holding company (Opto Cardiac Care Ltd) has made provision for impairment, which is pending for RBI and other legal proceedings.

- 2) The company formed an SPV "Criticare Technologies Inc.," (CTI) to take over the assets of Criticare Systems Inc., (CSI) (excluding Receivables/Payables) through a bidding process, which was approved in our favour as per the court order date 14th December, 2015. The receivables & payables in the books of CSI were reduced from the cost of investment in CSI and the bid prices of ₹2,133.80 Lakhs has been treated as investment in CTI during FY 2015-16.
- 3) Company has obtained OTS agreement with Standard Chartered Bank to pay 6200 lakhs towards full and final settlement of their dues in 11 installments over a period of time on or before December 2020. Subsequent to this Rephasement scheme, ₹153,21.79 lakhs has been transferred to capital reserve & the same is shown as contingent liability.
- 4) During FY 2016-17, Criticare Systems (M) Sdn Bhd Malaysia, subsidiary of CSI USA (step down subsidiary of Opto Cardiac Care Ltd), and Opto Circuits Sdn Bhd, Malaysia (subsidiary of Opto Circuits(India) Ltd) have stopped operations in Malaysia, therefore impairment is recognised & pending for RBI & legal proceedings.
- 5) Prior period expenses consist of administrative expenses in the books of Opto Circuits (India) Ltd & its subsidiaries.

NOTE 16 - BORROWINGS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non - Current		
<i>Term Loans</i>		
(i) from Banks;		
Secured	-	31,41,76,319
	-	31,41,76,319
(ii) from other parties;		
Secured		
Unsecured	9,71,45,740	9,66,03,047
	9,71,45,740	9,66,03,047
<i>Deposits</i>		
Unsecured	64,490	64,490
	64,490	64,490
<i>Loans and Advances from related parties</i>		
Unsecured	-	18,25,386
	-	18,25,386
<i>Long term maturities of finance lease obligations</i>		
Secured	2,01,32,953	2,52,91,047
	2,01,32,953	2,52,91,047
Total	11,73,43,183	43,79,60,289

Particulars	As at	
	March 31, 2018	March 31, 2017
Current - Borrowings		
<i>Loans repayable on demand</i>		
(i) from Banks;		
Secured	5,49,78,40,164	5,94,52,17,230
Unsecured	1,99,83,09,022	2,00,06,28,740
	7,49,61,49,186	7,94,58,45,970
(ii) from other parties;		
Unsecured	57,22,69,348	88,52,39,173
	57,22,69,348	88,52,39,173
<i>Loans and Advances from related parties</i>		
Unsecured	17,14,82,633	34,91,99,683
	17,14,82,633	34,91,99,683
<i>Other loans and advances</i>		
Unsecured	5,50,050	3,22,77,382
	5,50,050	3,22,77,382
Total	8,24,04,51,217	9,21,25,62,208

Non-current/current/unsecured loans includes interest free loans from subsidiaries/step down subsidiaries and other corporates/Directors.

CURRENT BORROWINGS

Opto Circuits (India) Ltd Standalone.

- i) The Company along with its stepdown subsidiary (CSC) had borrowed funds from DBS Bank Limited. In the year 2014-15 the said loan was restructured and as a part of the said process, loan of ₹12,678 lakhs borrowed by the company which was part of the total Loan Agreement was also restructured. As per the terms of the agreement with DBS Bank Limited, upon default by stepdown subsidiary (CSC), the bank exercised their right and assigned the debts to a third party and also exercised proxy voting rights to take management control of the Step down overseas subsidiary [CSC]. As result of the above unilateral action of DBS Bank, the loan borrowed by the company to the tune of ₹12,678 lakhs also stands extinguished. Consequently this liability is transferred to Opto Cardiac Care Ltd, (a WOS) wherein the Investment in Cardiac Science Corporation, U.S.A, is transferred as stepdown wholly owned subsidiary.
- ii) State Bank India, The Bank of Nova Scotia, HDFC Bank Limited, Standard Chartered Bank Ltd, Yes Bank Ltd have suspended charging the interest as these loans are categorised as NPA. The company has not recognised the interest on these borrowings. In view of the above confirmation of balances were not obtained from these banks.
- iii) Bank of Nova Scotia and HDFC Bank have, as lenders to the company and CIMB, Malaysia which has invoked the corporate guarantee, as Financial Creditors filed winding up petitions before the High Court of Karnataka. The management is making efforts to negotiate and settle with said banks for OTS which is under negotiation.

(iv)

(Amount in ₹)

SI	Bank	Nature of Loan	Security	Non-Current Borrowings	Current Borrowings	Current Maturities of long term debt	Total Amount Outstanding as on 31st March 2018
1	State Bank of India	Working Capital	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. The current assets of the company was given as security to the under multiple banking arrangement viz. state Bank of India, Standard chartered Bank, Indus.Ind Bank and DBS Bank.SBI has obtained Recovery Certificate for recovery of loan from the Debt Recovery Tribunal, Bengaluru.	-	1,62,53,78,567	-	1,62,53,78,567
2	IndusInd Bank	Working Capital/ Cash credit facilities/ Preshipment Credit in Foreign Currency and bill discounting/ Postshipment credit in Foreign currency facility/ Overdraft and Indian rupee loan	These facilities are repayable on demand, secured by pari-passu charge on Stocks and Book Debts of the Company.	-	13,06,02,802	-	13,06,02,802
3	Standard Chartered Bank	Working Capital	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' sharing basis with the members of the banks in Multiple Banking Arrangement. Subsequently the property of M/s Altrons Hotels pvt ltd was sold during financial year 2017-18 and proceeds from the sale of said property is paid to Standard Chartered Bank towards part Repayment of the One Time Settlement with Standard Chartered Bank Ltd. Company has obtained OTS agreement with Standard Chartered Bank to pay 6,200 lakhs towards full and final settlement of their dues in 11 installments over a period of time on or before December 2020. Subsequent to this Repayment scheme, Rs.15,321.79 lakhs has been transferred to capital reserve & the same is shown as contingent liability.	-	61,00,00,000	-	61,00,00,000
4	Yes Bank	Working Capital	Un-Secured Loan	-	30,43,47,734	-	30,43,47,734

SI	Bank	Nature of Loan	Security	Non-Current Borrowings	Current Borrowings	Current Maturities of long term debt	Total Amount Outstanding as on 31st March 2018
5	Bank of Nova Scotia	Working Capital	The company has 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 an total extent of 250 acres.	-	1,18,90,92,331	-	1,18,90,92,331
6	HDFC Bank	Working Capital	Un-Secured Loan	-	50,42,60,116	7,75,00,000.00	58,17,60,116
Total				-	4,36,36,81,550	7,75,00,000	4,44,11,81,550
OPTO CARDIAC CARE LTD							
1	IndusInd Bank	Medium Term Loan	a) Charge on the assets/ claim on assets / bid-deposit for acquisition held by US based trustee on behalf of the company as per US Laws. b) Extension of charge on all the movable / immovable current & non-current of OCCL c) Pledge of 30% of share holding of OCCL, held by OCIL to the extent of 30% & NDU for the balance.	-	-	217743434.2	21,77,43,434
2	IndusInd Bank	Working Capital Loan	This facility is secured on Opto Cardiac Care Ltd's Inventory & Debtors. This facility is in co-terminus with the limits sanctioned to Opto Circuits India Ltd.	-	21,16,18,781	-	21,16,18,781
3	IndusInd Bank	Short Term Loan (Line of credit through SBLC for Criticare Technologies, Inc. subsidiary of Opto Cardiac Care Ltd.)	Promissory Note Executed by Criticare Technologies, Inc. a) Exclusive charge on entire current & fixed assets of Criticare Technologies Inc. & Opto Cardiac Care Ltd both present & future. b) Pledge of 30% of the shareholding of Criticare Technologies, Inc. and Unetix Vasular, Inc. held by Opto Cardiac Care Ltd to the extent of 30% and NDU for the balance. c) Pledge of 30% of shares of Opto Cardiac Care Ltd held by Opto Circuits (India) Ltd and NDU for the balance with an undertaking that ownership will be transferred to an independent entity in 6 months so as to disassociate the company from Opto Circuits (India) Ltd.	-	84,90,01,079	-	84,90,01,079
Total				-	1,06,06,19,861	21,77,43,434	1,27,83,63,295

SI	Bank	Nature of Loan	Security	Non-Current Borrowings	Current Borrowings	Current Maturities of long term debt	Total Amount Outstanding as on 31st March 2018
OPTO EUROCOR HEALTHCARE LTD							
1	Credit Europe Bank (CEB)	Short Term Loan (Line of credit through SBLC for Eurocor GMBH subsidiary of Opto Eurocor Healthcare Ltd.)	Which is secured against charge on movable fixed assets and current assets of borrower, charge on all assets of Eurocor Gmbh current and fixed, present and future and pledge of shareholding of borrower held by Opto circuits india limited, 30% of the shareholding of borrower should be pledged to IBL and an Non Disposable Undertaking for the balance with an undertaking that ownership will be transferred to an independent entity in 6months so as to disassociated the company from opto circuits limited	-	1,94,16,23,193	-	1,94,16,23,193
2	Commercial bank (CIMB)	Working Capital Loan (Borrowed by Eurocor Asia SDN BHD subsidiary of Opto Eurocor Healthcare Ltd.)	Issued against corporate guarantee given by Opto Circuits (India) Ltd to CIMB Bank.	-	12,96,15,741	-	12,96,15,741
Total				-	2,07,12,38,934	-	2,07,12,38,934
AMDL							
1	Bank of America Laplana			-	6,08,841	-	6,08,841
Grand Total				-	7,49,61,49,186	29,52,43,434	7,79,13,92,620

NOTE 17. TRADE PAYABLES

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non Current		
Trade payables	67,19,18,217	62,53,67,272
Total	67,19,18,217	62,53,67,272
Current		
Trade payables	29,99,90,907	39,87,38,848
Total	29,99,90,907	39,87,38,848

NOTE 18. OTHER FINANCIAL LIABILITIES

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Current		
Current maturities of long-term debt	29,52,43,434	7,78,39,920
Unpaid dividends	49,11,76,352	49,14,16,602
Unclaimed dividends	13,34,641	20,31,581
Sundry Creditors for Capital goods	-	20,84,63,775
Sundry Creditors for Expenses	5,88,27,308	1,31,79,36,264
Total	84,65,81,735	2,09,76,88,142

- (a) Sundry creditors for Capital goods includes advance of ₹2,079 Lakhs, towards sale of land measuring 39,639.25 sq ft, building & furniture belongs to Altron Hotels Pvt Ltd which is step down subsidiary of Opto Circuits (India) Ltd. Sale was executed on 1st April 2017.
- (b) The entire amount of debt ₹2,952.43 lakhs is over due and as such categorised under other financial liabilities
- (c) The Management is negotiating for a settlement with HDFC bank for a Restructure / Rephasement Settlement scheme.

NOTE 19. PROVISIONS

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Non Current		
Provision for Leave Encashment	24,95,935	20,54,353
Other Provisions	36,63,226	3,84,96,426
Total	61,59,161	4,05,50,779
Current		
Provision for Warranty	2,61,88,134	2,25,26,457
Provision for Leave Encashment	4,45,19,454	87,85,784
Provision for Gratuity	7,24,146	23,98,934
Other Provisions	1,58,39,754	5,00,794
Total	8,72,71,488	3,42,11,969

NOTE 20. OTHER LIABILITIES

(Amount in ₹)

Particulars	As at	
	March 31, 2018	March 31, 2017
Current		
Revenue received in advance	4,20,58,736	9,09,06,204
Statutory Liabilities	23,36,38,597	8,56,79,277
Others	3,53,09,064	-
Total	31,10,06,397	17,65,85,481

- (a) Statutory Liabilities includes provident fund, employees state insurance, professional tax, withholding taxes and other indirect taxes. Out of the above Dividend distribution Tax payable by Opto Circuits (India) Ltd has 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.

NOTE 21. REVENUE FROM OPERATIONS

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Income from sale of products	2,13,39,86,058	2,01,11,63,809
Income from Sale of Services	13,48,82,820	12,99,08,790
Other operating Revenues	1,47,60,377	1,18,46,894
Total	2,28,36,29,255	2,15,29,19,493

NOTE 22. OTHER INCOME

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Interest Income	22,60,605	17,44,726
Dividend Income	-	1,866
Net gain on sale of assets	53,13,531	1,44,320
Exchange gains/(losses) on translation of other assets and liabilities	41,47,552	28,59,634
Miscellaneous income, net	3,54,472	22,00,016
Total	1,20,76,160	69,50,562

NOTE 23. COST OF MATERIALS CONSUMED

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Opening stock	1,41,07,40,028	4,17,51,79,831
Less: Exclusion of Opening Stock relating to Opto Circuits (Malaysia) Sdn. Bhd		23,61,444
Less: Exclusion of Opening Stock relating to Criticare Systems (Malaysia) Sdn. Bhd		94,73,18,055
Less: Exclusion of Opening Stock relating to N S Remedies Pvt Ltd		17,86,915
Less: Regrouping of Opening Stock relating to AMDL	3,73,98,797	-
Adjusted Stock	1,37,33,41,231	3,22,37,13,417
Add: Purchases	97,66,05,913	76,79,66,892
Less: Closing stock	1,15,62,90,255	1,41,07,40,028
	1,19,36,56,889	2,58,09,40,281
Material consumed comprises:		
Less: R&D Product Development Expenses	28,13,51,832	-
Less: Discount on obsolete stock	-	39,17,78,097
Less: Provision for impairment loss in inventory value	-	1,39,97,47,246
Cost of material consumed	91,23,05,057	78,94,14,938
MANUFACTURING AND OPERATING COST		
Consumption of stores and spare parts	3,43,336	7,06,490
Customs Duty & Supervision Charges	51,952	-
Freight, Handling, Octroi and Others	44,37,187	52,53,647
Insurance	1,02,22,167	1,39,36,724
Labour Charges & Job Work	1,38,69,090	1,94,32,157
Power & Fuel	1,21,26,919	1,02,80,106
R&D, Product Development Expenses	5,14,43,306	5,36,90,357
Repairs & Maintenance - Building	15,82,325	10,03,187
Repairs & Maintenance - Electricals & Others	1,03,09,629	1,54,88,544
Repairs & Maintenance - Plant & Machinery	25,78,962	24,81,520
Service Charges	6,42,459	1,07,036
Tooling Charges	59,50,743	64,00,535
Warranty Purchases	42,01,100	1,29,35,326
Total Cost of material consumed	1,03,00,64,232	93,11,30,567

- Criticare Systems (M) Sdn Bhd Malaysia, subsidiary of CSI USA (step down subsidiary of Opto Cardiac Care Ltd), and Opto Circuits Sdn Bhd, Malaysia (subsidiary of Opto Circuits(India) Ltd) have stopped operations in Malaysia and that there are no activity took place during the financial year.
- Research and development costs are expensed as and when incurred except for certain items which are capitalised and amortised based on estimated life. During the year ₹3,327.95 Lakhs has been spent.

NOTE 24. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Inventories at the end of the year:		
Finished goods	3,42,08,275	2,95,67,707
Work-in-progress	37,27,78,599	92,40,40,878
Stock-in-trade	3,70,26,975	
	44,40,13,849	95,36,08,585
Inventories at the beginning of the year:		
Finished goods	2,95,67,707	31,76,54,283
Work-in-progress	92,40,40,878	93,65,95,135
Stock-in-trade	-	-
Add: Re-grouping of Opening Stock relating to AMDL		
Finished goods	-	-
Work-in-progress	-	-
Stock-in-trade	3,73,98,797	-
Less: Exclusion of Opening Stock relating to Criticare Systems (Malaysia) Sdn, Bhd		
Finished goods	-	27,36,17,729
Work-in-progress	-	67,03,969
Stock-in-trade	-	-
Less: Exclusion of Opening Stock relating to Opto Circuits (Malaysia) Sdn. Bhd		
Finished goods	-	-
Work-in-progress	-	1,84,24,602
Stock-in-trade	-	-
Less: Exclusion of Opening Stock relating to N S Remedies Pvt Ltd		
Finished goods	-	-
Work-in-progress	-	5,65,309
Stock-in-trade	-	-
Adjusted Finished goods	2,95,67,707	4,40,36,554
Adjusted Work-in-progress	92,40,40,879	91,09,01,254
Adjusted Stock-in-trade	3,73,98,797	-
Less: Amount transferred to Product Development Expenses in OCIL	55,00,00,000	-
	44,10,07,383	95,49,37,808
Net (increase) / decrease	(30,06,466)	13,29,223

NOTE 25 - EMPLOYEE BENEFIT EXPENSE

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Salaries and wages	29,81,76,029	33,59,97,649
Contribution to provident and other funds	2,28,29,993	1,88,81,683
Staff welfare expenses	4,14,88,059	3,28,21,688
Total	36,24,94,081	38,77,01,020

NOTE 26 - FINANCE COSTS

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Interest expense	4,46,03,529	15,76,14,285
Other borrowing costs	11,69,105	19,60,206
Bank Charges	1,18,27,194	1,11,39,400
Exchange differences regarded as an adjustment to borrowing costs	(808)	-
Total	5,75,99,020	17,07,13,891

NOTE 27 - OTHER EXPENSES

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
ADMINISTRATIVE EXPENSES:		
Audit fee	30,33,323	46,81,958
Advertisement & Trade Shows	74,45,797	54,59,975
Bad Debts	42,21,188	14,89,44,141
Commission	4,57,38,664	4,99,17,504
Discount	14,08,799	19,65,033
Directors Remuneration	1,06,80,269	85,49,043
Donation	20,100	6,000
Electricity & Water Charges	68,83,599	69,31,766
General Expenses	2,23,76,678	1,32,59,210
Membership, Books & Periodicals	2,23,432	2,68,946
Miscellaneous expenses	85,87,576	99,50,838
Net loss on foreign currency transaction and translation	69,51,086	36,81,623
Office Maintenance	81,97,849	79,00,668
Outside Labour	1,50,23,377	1,34,62,933
Postage, Telephone & Fax Charges	79,53,271	84,11,754
Printing & Stationery	22,03,831	86,56,672
Professional Consultancy Charges	8,55,16,385	11,70,26,993
Quality Certification, Patent & FDA Expenses	12,94,699	14,32,590
Rates & Taxes	65,25,122	1,35,54,516
Rent	2,10,33,742	2,29,38,064
Travelling & Conveyance	5,26,85,719	4,67,01,730
Total A	31,80,04,506	49,37,01,957

Particulars	For the year ended	
	2018	2017
SELLING EXPENSES:		
Business Promotion Expenses	54,94,583	24,61,928
Clearing Charges	41,70,747	54,06,598
Freight & Handling Charges	3,20,28,450	3,30,84,724
Packing Materials	26,39,790	21,28,660
Transportation	-	20,000
Total B	4,43,33,570	4,31,01,910
Total (A+B)	36,23,38,076	53,68,03,867

NOTE 28 - EXCEPTIONAL ITEMS

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Opto Circuits (India) Ltd		
Provision for Long Term Trade Receivables	-	2,22,59,09,203
Provision for impairment loss in inventory value	-	1,39,97,47,246
Opto Cardiac Care Ltd		
Provision for Long Term Trade Receivables	-	76,49,91,822
Opto Eurocor Healthcare Ltd		
Provision for impairment loss in inventory value	-	37,34,90,150
Loss on sale of invesment in N S Remedies Pvt Ltd (subsidiary of Opto Eurocor Health Care Ltd)	-	4,74,90,000
Reversal of Foreign Exchange difference on the restatement of debtors.	-	3,21,17,063
Creditors no longer payable		-
Adanced Micronic Devices Ltd		
Provision for service tax liability for the FY 2013-14	-	2,86,91,274
Provision for sales tax liability for the FY 2010-11	-	11,42,92,859
Opto Infrastructure Ltd		
Profit on sale of land	(1,60,29,100)	-
Total	(1,60,29,100)	4,98,67,29,618

- 1) These are the receivables which were overdue for more than three years. Company was not able to recover these long outstanding receivables even after putting constant efforts. Therefore Management has decided to make the provision or bad and doubtful debts and seek regulatory authorities approval for such write off.

- 2) These stocks are specifically earmarked for Cardiac science corporation and criticare system Inc . Due to hostile take over of these subsidiaries, these stocks no more usable and hence the provision has made for such impairment loss in inventory value. Company would seek approval for such write off from appropriate authority.
- 3) In the case of Opto Eurocor Healthcare Ltd, stocks became obsolete & lost its shelf life. Hence, the provision is made for impairment loss in value of such non-moving stock. Company would seek approval for such write-off from appropriate authority.
- 4) Loss on Sale of investment in N S Remedies Pvt Ltd (subsidiary of Opto Eurocor Health Care Ltd) On 23/11/2016 Opto Eurcor Health Care Ltd (100% subsidiary of Opto Circuits (India) Ltd) sold its entire investment in N S Remedies Pvt Ltd for ₹125.10 lakhs and incurred a loss of ₹474.90 lakhs, which is accounted as an exceptional item in the consolidated financial statements.

NOTE 29. EARNINGS PER SHARE

(Amount in ₹)

Particulars	For the year ended	
	2018	2017
Net Profit after tax	34,62,16,125	(5,10,07,24,407)
Basic and Weighted average number of Equity Shares outstanding during the period	25,82,85,720	24,23,19,407
Nominal Value of Equity Shares	10	10
Basic Earnings per Equity Shares*	1.34	(21.05)

*EPS for previous year has been restated.

NOTE 30 RETIREMENT BENEFITS TO EMPLOYEES

- (i) 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 Employees 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
- (ii) Overseas subsidiaries provide for retirement benefits under respective laws and regulations
- (iii) 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 makes 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.
- (iv) 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 31 - CONVERSION RATES USED FOR FOREIGN FINANCIAL ON 31ST MARCH 2018 ARE AS FOLLOWS:

Particulars	Opening rate	Average Rate	Closing Rate
	₹	₹	₹
USD	64.8386	64.9414	65.0441
Euro	69.2476	74.9349	80.6222
MYR	46.4158	48.0255	49.6351
SGD	14.6451	15.7471	16.8490

NOTE 32 - CONTINGENT LIABILITY:

Particulars	As at	
	31st March, 2018	31st March, 2017
Guarantees		
Corporate Guarantee has been given to IndusInd Bank on behalf of Opto Cardiac Care Limited (Company holding 100% of shares)	INR 1,30,00,00,000	USD 18,250,000
Corporate Guarantee has been given to CEB Bank on behalf Eurocor GmbH on behalf of Opto Eurocor Health Care Limited (Company holding 97.02% of shares) .	Euro 25,350,000	USD 26,570,000
Corporate Guarantee has been Given to Commerce Bank on behalf of Eurocor Asia Sdn Bhd on behalf of Opto Eurocor Health Care Limited (Company holding 97.02% of shares)	RM 12,800,000	RM 12,800,000
Corporate Guarantee has been given to IndusInd Bank on behalf of Criticare Technologies Inc on behalf of Opto Cardiac Care Limited (Company holding 100% of shares)	USD 13,500,000	USD 6,500,000
Corporate Guarantee given to ICICI Bank for the SBLC issued to US Bank for the credit facility extended to our step-down subsidiary Cardiac Science Corporation, USA. ICICI Bank has invoked the corporate guarantee and claim of USD 10 million is not acknowledged as debt.	USD 10,000,000	USD 10,000,000
Others		
One Time Settlement of Standard Chartered Bank	INR 15,32,179,236	-

NOTE 32A - DIVIDEND DISTRIBUTION TAX

(Amount in ₹)

Assessment Year	Dividend Distribution Tax	Interest Amount	Total
2010-11	12,45,90,035	5,10,81,914	17,56,71,949
2011-12	13,93,13,855	4,04,59,018	17,97,72,873
2012-13	11,79,30,798	2,00,48,236	13,79,79,034
TOTAL	38,18,34,688	11,15,89,168	49,34,23,856

Interest on dividend distribution tax of ₹1,115.89 Lakhs is contingent liability.

NOTE 32B - INCOME TAX DEMANDS**OPTO CIRCUITS (INDIA) LTD.**

- (i) Income tax department has raised the following demands w.r.t the order passed under sec 143(3)

Assessment Year	Demand in Lakhs	Appealed Before
2011-12	365.45	CIT(A)-III Bangalore
2012-13	100.38	CIT(A)-III Bangalore
2013-14	6,662.43	CIT(A)-III Bangalore

- (ii) Income tax department has raised the following demand under Sec-156.

Assessment Year	Demand in Lakhs
2007-08	204.38
2012-13	450.42

- (iii) Income tax department has raised demand under sec-154 for AY 2007-08 for ₹635.97 Lakhs

Advanced Micronics Devices Ltd

- (i) Commercial Tax Department has raised a notice of demand under the KVAT Act 2003, to a tax of ₹96.75 Lakhs together with a penalty of ₹9.68 Lakhs and Interest of ₹104.49 lakhs for the period 2011-2012
- (ii) Commercial Tax Department has raised a notice of demand under the CST Act 1956, to a tax of ₹90.81 Lakhs together with Interest of ₹98.08 lakhs for the period 2011-2012
- (iii) Central Board of Excise and Customs Department has raised a demand of ₹50.75 Lakhs for the period April 2014- Sep 2015 under Section 73(2) of the Finance Act 1994.

Opto Cardiac Care Ltd

- 1) The Income-tax department has raised demand as listed below,

Assessment Year	Demanded	Appeal
2012-13	18,57,93,534	CIT(A)-V Bangalore
2013-14	9,74,26,200	CIT(A)-V Bangalore
2014-15	6,24,12,450	CIT(A)-V Bangalore

NOTE 33 - SEGMENT REVENUE

The Group has only one Business Segments viz Health Care.

NOTE 34 - RELATED PARTY DISCLOSURES:

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	87.06%
6) Opto Circuits (Malaysia) Sdn, Bhd.	Subsidiary Company	100.00%
7) Opto Cardiac Care Limited	Subsidiary Company	100.00%
8) Opto Eurocor Healthcare Limited	Subsidiary Company	97.02%
9) Unetixs Vascular, Inc.	Step-down Subsidiary company	NA
10) Criticare Technology, Inc.	Step-down Subsidiary company	NA
11) Eurocor Gmbh	Step-down Subsidiary company	NA
12) Eurocor Asia Sdn Bhd	Step-down Subsidiary company	NA
13) Eurocor (S) Pte. Ltd.	Step-down Subsidiary company	NA
14) Altron Hotels Pvt Ltd	Associate Company	NA

KEY MANAGEMENT PERSONNEL

Name of Related Party	Relationship
1) Vinod Ramnani	Key Management Personnel
2) G C Somadas	Key Management Personnel
3) Guru Prasad A	Key Management Personnel
4) Jayesh C Patel	Key Management Personnel
5) Thomas Dietiker	Key Management Personnel
6) Supriya Kulkarni	Key Management Personnel

NOTE 35**ADDITIONAL INFORMATION, AS REQUIRED UNDER SCHEDULE III TO THE COMPANY 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 ₹Lakhs	As % of consolidated profit or loss	Amount ₹Lakhs
Parent company				
Opto Circuits (India) Limited	117.69%	1,12,330.66	28.11%	1,000.51
Subsidiaries				
Indian				
Advance Micronic Devices Ltd, India	-4.91%	(4,688.15)	-1.48%	(52.67)
Opto Eurocor Healthcare Ltd, India	-15.00%	(14,313.38)	58.42%	2,079.06
Ormed Medical Technology Ltd, India	0.48%	462.64	0.84%	29.76
Devon Innovations Pvt. Ltd, India	1.45%	1,381.96	3.82%	135.90
Opto Infrastructure Ltd, India	19.49%	18,598.99	4.50%	160.29
Opto Cardiac Care Ltd, India	-4.29%	(4,092.70)	3.53%	125.46
Foreign				
Mediaid Inc. USA	25.79%	24,615.73	-0.45%	(16.17)
Opto Circuits (Malaysia) Sdn. Bhd, Malaysia	0.04%	37.27	0.00%	-
Minority Interests in all subsidiaries	1.25%	1,189.46	2.72%	96.82
Effect of intercompany adjustments	-41.98%	(40,074.02)	0.00%	-
TOTAL	100%	95,448.44	100%	3,558.98

NOTE 36

The previous years figures have been regrouped/restated wherever necessary to conform with current years classification.

As per our report of even date attached

For B V SWAMI & Co.,
Chartered Accountants

A. AMARANATH
Partner
Membership No. 213629
Firm Registration Number: 009151S

Place: Bengaluru
Date: 30/04/2018

For and on behalf of the Board of
OPTO CIRCUITS (INDIA) LIMITED

Vinod Ramnani
Chairman
(DIN-01580173)

Guruprasad A
Chief Financial Officer

G C Somadas
Managing Director
(DIN-00678824)

Supriya Kulkarni
Company Secretary

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 Lakhs)

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 Share-holding
1	Advanced Micronic Devices Limited, India		528.11	(5,216.26)	809.40	5,497.55	1.02	201.34	(52.67)	-	(52.67)	-	59.71%
2	Opto Eurocor Healthcare Ltd, India		6,741.96	(21,055.35)	41,222.18	55,535.57	5,348.99	6,243.26	2,175.88	-	2,175.88	-	97.02%
3	Mediaid Inc. USA	1 USD = Rs.65.0441	4,455.49	20,160.24	30,565.12	5,949.39	-	679.76	(15.65)	0.52	(16.17)	-	100%
4	Ormed Medical Technology Ltd, India		25.00	437.64	592.05	129.42	-	720.80	43.51	13.75	29.76	-	100%
5	Devon Innovations Pvt. Ltd, India		10.00	1,371.96	2,346.00	964.05	-	803.86	170.76	34.86	135.90	-	100%
6	Opto Infrastructure Ltd, India		2,067.45	16,531.54	27,758.88	9,159.90	-	-	-	-	160.29	-	87.06%
7	Opto Circuits (Malaysia) Sdn. Bhd, Malaysia	1 MYR = Rs.16.8490	4,463.00	(4,425.73)	37.27	-	-	-	-	-	-	-	100%
8	Opto Cardiac Care Ltd, India		5,005.50	(9,098.21)	65,878.53	69,971.23	-	8,233.53	166.18	40.72	125.46	-	100%

NOTES

NOTES

OPTO CIRCUITS (INDIA) LIMITED
83, Electronics City, Bengaluru 560100, Karnataka, India