PHOENIX
PHOENIX LAMPS LIMITED
(SUPRAJIT GROUP COMPANY)

Regd. Office :
59-A, NOIDA SPECIAL ECONOMIC ZONE,
PHASE-II, NOIDA, DISTT. GAUTAM BUDH NAGAR,
PIN CODE-201 305, UTTAR PRADESH, INDIA
PH. NO.: +91-120-4012222
FAX : +91-120-2562943
Website : www.phoenixlamps.co.in
E-mail : phoenix@phoenixlamps.co.in
(CIN-L31500UP1991PLC012944)

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001

Date: 29.09.2016

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 25th Annual General Meeting of the Company held on 24th September, 2016 at Registered Office at No.101 Bommasandra Industrial Area, Bangalore-560099 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 Phoenix Lamps Limited
S. Mandol
Shrabanti Mandol
Company Secretary

25th
ANNUAL REPORT
2015 - 2016

PHOENIX

PHOENIX LAMPS LIMITED

A SUPRAJIT GROUP COMPANY

BOARD OF DIRECTORS

Mr. K. Ajith Kumar Rai	—	Chairman
Mr. N.S. Mohan	—	Director & Chief Executive Officer
Mr. Suresh Shetty	—	Director
Mr. Ian Williamson	—	Director
Ms. Sunita Mathur	—	Director

AUDITORS

Messrs S.R. Batliboi & Co. LLP
Golf View Corporate Tower B, Second Floor, Sector-42
Sector Road, Gurgaon-122002, Haryana

KEY MANAGERIAL PERSONNEL

Mr. N.S. Mohan	–	Chief Executive Officer
Ms. Shrabanti Mandol	–	Company Secretary

REGISTERED OFFICE

101, Bommasandra Industrial Area,
Anekal, Taluk, Bangalore-560099

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PHOENIX LAMPS LIMITED

CIN: L31500KA1991PLC095519

Registered office: 101, Bommasandra Industrial Area, Anekal, Taluk, Bangalore-560099

Contact No.: +91- 80-4342 1100; Fax: +91- 80-27833279,

Email: Investor.relations@phoenixlamps.co.in

Website: www.phoenixlamps.co.in

NOTICE OF THE TWENTY FIFTH ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Members of Phoenix Lamps Limited will be held on Saturday, the 24th day of September, 2016, at 11:00 a.m. at the Registered Office of the Company, situated at 101, Bommasandra Industrial Area, Anekal, Taluk,Bangalore-560 099, Karnataka, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements of the Company including Audited Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss of the Company for the year ended as on that date together with the Auditors' Report thereon and Report of the Board of Directors including Secretarial Audit Report.

2. To appoint a Director in place of Mr. K. Ajith Kumar Rai (DIN: 01160327), who retires by rotation and being eligible, offers himself for re-appointment.

3. To ratify appointment of Messrs S. R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No: 301003E/E300005) as Statutory Auditors of the Company and authorize Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. To ratify the remuneration payable to Messrs J. K. Kabra & Company, Cost Accountants, as Cost Auditors of the Company for the financial year 2016-17.

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions under Section 148 and all other applicable provisions of the Companies Act, 2013, if any, read with rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the remuneration aggregating to Rs 1,25,000/-(Rupees One lakh Twenty Five Thousand) plus out of pocket expenses and applicable taxes, as payable to Messrs. J. K. Kabra & Associates, Cost Auditors (Firm registration No. 000009) of the Company, to conduct Audit of the cost records of the Company for the Financial Year 2016-17, be and is hereby ratified.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is here by severally authorized to do all acts, deeds and things as may be deemed necessary to give effect to the above resolution."

For **Phoenix Lamps Limited**

Place : Bangalore
Dated : 8th August, 2016

Shrabanti Mandol
Company Secretary
Membership No.: 34401

NOTES:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting is annexed hereto.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON POLL ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

   Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members and holding in aggregate, not more than ten percent of the total share capital of the Company. Members holding more than ten percent of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member.

   The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc. must be supported by an appropriate resolution/ authority, as applicable.

3. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.

4. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

5. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the Annual General Meeting.

6. The Register of Members and Share Transfer Books will remain closed from 21st September, 2016 to 24th September, 2016 (both days inclusive) for the purpose of the Annual General Meeting.

7. The notice of the Annual General Meeting will be sent to those members/beneficial owners, whose name will appear in the register of members/list of beneficiaries received from the depositories as on 19th August, 2016.

8. Relevant documents referred to, in the accompanying Notice and the Statement are open for inspection by the members at the registered office of the Company during normal business hours (9.00 A.M. to 6.00 P.M.) on all working days except Saturdays and Sundays, up to the conclusion of Annual General Meeting of the Company.

9. Shareholders who are holding shares in physical form are requested to address all correspondence concerning registration of transfers, transmissions, sub-division, consolidation of shares or any other share related matters and/or change in address or updating thereof to the Company's Registrar and Share Transfer Agent, Alankit Assignments Ltd situated at 1E/13, Jhandewalan Extension, New Delhi -110055. Shareholders, whose shareholdings are in electronic format are requested to direct change of address notification(s), registration of email address and updating of bank account details to their respective depository participants.

10. Pursuant to Sections 124 and 125 of the Companies Act, 2013, the total dividend amount which remains unpaid/unclaimed for a period of seven years, is required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. After such transfer, no claim of the members whatsoever shall subsist on the said amount. The last date for claiming unclaimed dividend for the dividend declared for financial year 2008-09 expires on September 7, 2016. Therefore, shareholders are requested to claim dividend before the expiry of said period.

    Further, the particulars of unpaid/unclaimed dividend etc. are being uploaded on the Company's website, www.phoenixlamps.co.in in compliance of the Investor Education and Protection Fund (Uploading of Information regarding Unpaid And Unclaimed Amounts Lying With Companies) Rules, 2012.

11. Electronic copy of the Annual Report for 2015-16 containing the notice of 25th Annual General Meeting of the Company *inter alia* indicating the process and manner of remote e-voting along with Attendance slip and proxy form is being sent to all the members, whose e-mail IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email IDs, physical copies of the Annual Report for 2016 along with Notice of 25th Annual General Meeting of the Company *inter-alia* indicating the process and manner of remote e-voting is being sent in the permitted mode.

12. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail IDs for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically and in case of any change in e-mail address, members are requested to provide/ update the changes if any, in their e-mail id with company and their depositories.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their DEMAT Accounts. Members holding shares in physical form can submit their PAN to the Company Registrar & Share Transfer Agent, Alankit Assignments Limited of the Company.

14. **Details of the Directors proposed to be appointed/re-appointed:**

    The details of Directors proposed to be appointed/re-appointed at the ensuing Annual General Meeting are reproduced below, in terms of SEBI (LODR) Regulations, 2015.

    Mr. K Ajith Kumar Rai (DIN: 01160327)

    Mr. K. Ajith Kumar Rai is a Graduate in Mechanical Engineering from Mysore University and is a Master of Science in Industrial Engineering from Canada. Mr. K. Ajith Kumar Rai returned to India and set-up Suprajit Engineering Limited, a SSI in technical collaboration with TohFon Machine Company Limited, Taiwan. The products i.e., control and speedometer cables manufactured were import substitutes and catered to the Japanese automobile manufacturers in those days. The Company started its commercial production in 1987. Suprajit is the largest manufacturer of automotive cables in India and has the capacity to make any mechanical control cables used in 2-wheeler/3-wheeler/LCV/HCV sectors/cars.

Mr. K. Ajith Kumar Rai is Chairman and Managing Director of Suprajit Engineering Limited. He is a Director on the Board of Yagna IQ Private Limited, Suprajit Automotive Private Limited, Suprajit Europe Limited (U.K) and is Designated Partner in Suprajit Chemicals LLP.

Mr. K. Ajith Kumar Rai does not hold any Equity Shares of the Company.

15. For the convenience of the Members, the Company will provide a coach service from Bangalore on the day of the Annual General Meeting; Members are requested to report at 09:00 a.m. near Bangalore Stock Exchange, No.51, 1st Cross, J.C. Road, Bangalore - 560 002.

    Contact persons:

    1. Mr. K.S Ranganath, Cell Phone: 9945108318

    2. Mr. S.L. Satish, Cell Phone: 9342135877

16. Voting through Electronic means:

(A) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and SEBI (LODR) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the 25th Annual General Meeting by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').

(B) The facility for voting through Ballot Paper shall be made available at the Meeting and the Members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting.

(C) The Members who have cast their vote by remote e-voting prior to the meeting may also attend the Meeting but shall not be entitled to cast their vote again.

(D) The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating remote e-voting for AGM.

(E) The voting period begins on wednesday, 21st September, 2016 at 9.00 a.m. and ends on Friday, 23rd September, 2016 at 5.00 p.m. During this period shareholder of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 17th September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(F) Shareholders who have already voted prior to the meeting date through remote e-voting will not be entitled to vote at the meeting venue.

The instructions for shareholders voting electronically are as under:

(i) The shareholders should log on to the e-voting website www.evotingindia.com.

(ii) Click on Shareholders.

(iii) 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.

(iv) Next enter the Image Verification as displayed and Click on Login.

(v) 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.

(vi) 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) • 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. • 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. • 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).

(vii) After entering these details appropriately, click on "SUBMIT" tab.

(viii) 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.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant Phoenix Lamps Limited on which you choose to vote.

(xi) 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.

(xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvi) If a demat account holder has forgotten the 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.

(xvii) 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. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) **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.

(xix) 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.

G) Voting can be exercised only by the shareholder or his/her duly constituted attorney/proxy or, in case of bodies Corporate, the duly authorized person.

H) The Results of Annual General Meeting shall be declared within 3 (Three) days from conclussion of the Annual General Meeting. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.phoenixlamps.co.in and on the website of CDSL and shall be communicated to BSE Limited and National Stock Exchange of India Limited.

I) Mr.Vijayakrishna K.T, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make, not later than three days of conclusion of the meeting, 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.

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

ITEM NO. 4

To ratify the remuneration payable to Messrs. J K Kabra & Company, Cost Accountant as Cost Auditors of the Company.

In terms of Section 148 of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014, your Board on the recommendation of Audit Committee has appointed Messrs J. K. Kabra & Co. as the Cost Accountants of the Company for the financial year 2016-17 at a remuneration of Rs 1,25,000/-(One Lakh Twenty Five thousand) plus applicable taxes and reimbursement of out of pocket expenses at actuals.

The remuneration payable to Messrs J K Kabra & Company, Cost Accountants of the Company for the financial year 2016-17 is proposed to be ratified by the members of the Company.

None of the Directors or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise, in the resolution as set out in the Item No. 4.

This may be treated as compliance of the SEBI (Listing and Obligation Disclosure Regulations), 2015.

For **Phoenix Lamps Limited**

Place : Bangalore
Dated : 8th August, 2016

Shrabanti Mandol
Company Secretary
Membership No.: 34401

BOARD'S REPORT

To the Members,

Your Directors are pleased to present the **Twenty-Fifth Annual Report** on the business and the audited accounts for the financial year ended 31st March, 2016, together with the Independent Auditors' Report.

1. FINANCIAL SUMMARY

Standalone Financial Summary and performance highlights of your Company, for the financial year ended March 31st, 2016 are as follows:

(Rs in Lakhs)

PARTICULARS	Year ended 31.03.2016	Year ended 31.03.2015
Gross Income	**24,496.78**	26,328.34
Profit before Interest, Depreciation & Tax	**4,199.01**	4,683.33
Depreciation and amortization	**586.83**	628.79
Interest	**339.51**	420.18
Profit/ (Loss) from Operations before Exceptional Items	**3,272.67**	3,634.36
Exceptional Items-Provision for Diminution in Value of Investment in Luxlite	**1,995.36**	-
Provision for Tax	**1,135.95**	886.59
Profit/ (Loss) After Tax	**141.36**	2,747.77
Balance of Profit / (Loss) brought forward	**7,186.12**	5,754.35
Amount available for appropriation	**7,327.48**	8,502.12
Transfer of Profits to General Reserve	**-**	-
Transfer of Profits to Capital Redemption Reserve	**-**	1,316.00
Balance of Profit carried forward to next year	**7,327.48**	7,186.12

RESERVES AND SURPLUS

(Rs. in Lakhs)

PARTICULARS	Year ended 31.03.2016	Year ended 31.03.2015
Securities premium account	**3,733.86**	3,733.86
Capital subsidy	**40.00**	40.00
Capital redemption reserve	**2,937.00**	2,937.00
General reserve	**925.22**	925.22
Surplus in the Statement of profit and loss		
Credit balance as per the last financial statements	**7,186.12**	5,754.35
Add: Net profit/(loss) after tax transferred from Statement of profit and loss	**141.36**	2,747.77
Less: Profit & Loss appropriation	**-**	(1,316.00)
Net surplus in the Statement of profit and loss	**7,327.48**	7,186.12
Total	**14,963.56**	14,822.20

DIVIDEND

Considering significant contingent liabilities in the books and capital expenditure plan for the year, your Directors have not recommended any dividend for the financial year 2015-16. However, the minority shareholders of Phoenix Lamps Limited will be entitled to final dividend, if any, declared by its Holding Company (Suprajit Engineering Limited) subject to requisite approvals upon amalgamation of your Company with the Holding Company.

FINANCIAL AND OPERATIONAL PERFORMANCE:

Your Company is the market leader in automotive halogen lamps in India with significant share of business of Indian automotive OE Market, aftermarket and exports. Post acquisition by Suprajit Engineering Limited, the Management teams of both Suprajit and Phoenix have worked together to overhaul operations of your Company. Significant efforts were jointly infused to improve, rationalize and optimize the operational efficiency through improved plant operations, employee engagement and customer management. Considering aging plant and equipment, the new Management has decided to put together a capital expenditure plan of Rs. 3,000 Lakhs, to improve process quality & productivity, which will be completed by December, 2016. Due to challenges in the quality, certain customer confidence was lost leading to certain revenue loss both in the domestic and export markets. With the combined efforts of Phoenix and Suprajit Managements, post acquisition, the confidence was restored with the customers, improvements were made in the product quality and some of the lost businesses were regained.

Your Company recorded a standalone Gross Income of Rs. 24,496.78 Lakhs during the year 2015-16 as against Rs. 26,328.34 Lakhs during the year 2014-15, recording a de-growth of 7%. The standalone Profit After Tax was Rs.141.36 Lakhs during the year 2015-16 as against the Profit After Tax of Rs. 2,747.77 Lakhs during the year 2014-15, recording a de-growth of 95%.The reason for de-growth is largely due to provision for diminution in value of investment of Rs.1,995.36 Lakhs (Previous year: Nil).

The consolidated income was Rs. 34,745.70 Lakhs for the year 2015-16 against Rs. 38,311.85 Lakhs for the year 2014-15, recording a de-growth of 9%. The consolidated Profit after Tax was Rs. 2,290.28 Lakhs during the year 2015-16 as against Rs.1,957.25 Lakhs during the year 2014-15, a growth of 17 %.

Due to certain earlier loss of business with its customers, cross currency effects and quality related issues, your Company's performance was affected during the year. Operational focus was brought in by the new management, 'Q Initiative' was launched to engage employees at various levels to improve quality and customer contacts were increased to regain the lost confidence.

CURRENT YEAR:

All efforts are relentlessly being focused to regain customer confidence back, to improve the operational efficiency, increase supply chain effectiveness, regroup marketing strategy and focus on every sector of the business. The much needed operational focus is given to the business to align all stakeholders on quality and customer satisfaction. With close interaction with the Management team at Suprajit, your Company has been able to reestablish operational and quality efficiencies to a good extent. Certain lost customers have been recaptured. It is expected that new capital expenditure already in place and ongoing will improve quality and cost efficiencies. Your Company will continue to make inroads into newer customers to gain the confidence to increase the share of business.

SHIFTING OF THE REGISTERED OFFICE:

Based on the approval from the Shareholders, Registered Office of your Company is being shifted from Noida to Bangalore, headquarters of Suprajit, in an effort to focus and consolidate the corporate structure and with a view to rationalize various input efforts, manage regulatory, tax and other statutory compliances better. This will also improve cost efficiencies in various ways. The contingent tax liabilities are being addressed at various regulatory levels and this will take time to resolve. Your Company will make every effort to address these issues.

2. **STATE OF THE COMPANY'S AFFAIRS AND MATERIAL CHANGES AND COMMITMENTS**

   ACQUISITION:

   During the year, Suprajit Engineering Limited, a leading listed auto component manufacturer, acquired 61.93% of the equity in the share capital of your Company. Suprajit initially acquired 1,42,89,843 Equity Shares of Rs. 10/- each at a consideration @ Rs. 89/- per share aggregating to Rs. 12,717.96 Lakhs amounting to 51% from Argon India Limited, Mauritius and Argon South Asia Limited, Mauritius. In accordance with the prevailing legal requirements, an Open Offer was made to the Public Shareholders of the Company to acquire additional 26% out of which 15,021 shares were tendered to @ Rs. 100/- per share aggregating to Rs. 15.02 Lakhs. Suprajit further acquired the balance 30,47,312 Equity Shares of Rs. 10/- each at a consideration @Rs.89/- per share aggregating to Rs. 2,712 Lakhs, amounting to 10.88% stake from Argon India Limited, Mauritius and Argon South Asia Limited, Mauritius and completed the transaction in line with Share Purchase Agreement signed on 6th May, 2015. With this, your Company has become a subsidiary of Suprajit Engineering Limited.

   MERGER WITH SUPRAJIT ENGINEERING LIMITED:

   On 18th April 2016, your Company and Suprajit Engineering Limited, in separate meetings of their respective Audit Committees and Board of Directors, announced the merger of your Company with Suprajit Engineering Limited(Suprajit), subject to necessary regulatory and shareholders' approvals. The Share Exchange Ratio has been based on the SEBI approved guidelines of price determination based on which, Boards of both companies have set the merger ratio at 4 shares of (Re.1/- each) in Suprajit for every 5 shares of (Rs. 10/- each) in Phoenix Lamps Limited(Phoenix). The merger price of Phoenix at Rs.110/- based on closing price of Suprajit on 13th April, 2016 on NSE, represents the premium of 23.50% on Rs. 89/- per one Equity Share of Rs. 10/- of Phoenix Lamps Limited, paid by Suprajit to acquire Phoenix, 10% premium to the Open Offer price of Rs.100/- and 10% premium on the 6 months average price of Phoenix.

   Boards of Phoenix and Suprajit have recommended the approval of the merger to their respective shareholders subject to all statutory approvals. Both Suprajit, which holds 61.93% of Phoenix shares and Promoter group of Suprajit, which holds 47.37% of Suprajit, have irrevocably agreed to vote in favor of merger. Your Board feels that the merger of Phoenix with Suprajit will bring significant strengths with stronger balance sheet, along with excellent customer reach. It will enhance cost efficiencies at various levels, better global footprint and management bandwidth. This will also help in managing regulatory compliances and tax matters. Phoenix is a strong brand in the market and will be continued. Your Directors believe that this is a win-win situation for both Phoenix Lamps Limited and Suprajit Engineering Limited and recommend the merger to the shareholders.

3. **POSTAL BALLOT RESULTS**

   During the year, the Company passed the following Resolutions through Postal Ballot:

Resolutions	Votes Cast in Favor No. of Votes	%	Votes Cast Against No. of Votes	%	Date of declaration of Results
Shifting of Registered Office of the Company from the State of Uttar Pradesh to the State of Karnataka	17368469	99.99	03	0.001	1st February, 2016
Alteration of situation Clause of the Memorandum of Association	17368347	99.99	25	0.001	1st February, 2016
Alteration of the Articles of Association of the Company	17368372	100.00	Nil	Nil	1st February, 2016

The Company has successfully completed the process of obtaining approval of its shareholders for resolutions on the items detailed above vide postal Ballot.

Mr. Vijayakrishna K.T, a Practising Company Secretary, Bangalore was appointed as the Scrutinizer for carrying out Postal Ballot Voting Process in a fair and transparent manner.

4. **PARTICULARS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED OR RESIGNED DURING THE FINANCIAL YEAR ENDED MARCH 31, 2016.**

Post acquisition of majority shareholding by Suprajit Engineering Limited, Mr. K. Ajith Kumar Rai was appointed Chairman of the Company. Mr. Ian Williamson and Mr. Suresh Shetty were inducted in to the Board as Independent Directors. Ms. Sunita Mathur continued as an Independent Director.

Mr. N.S.Mohan was appointed as Director and Chief Executive Officer of the Company.

Mr. Padmanabh P Vora, Mr. Gurdeep Singh, Mr Shomik P. Mukherjee, Mr.Ganapati Rathnam, Directors of the Company before the acquisition of your Company by Suprajit, resigned and made way for the new Directors.

Mr. Pranay D Gandhi, the then Managing Director of the Company resigned during the year.

Your Directors place on record appreciation for the services rendered by all these Directors for their valuable support and guidance to the Company during the tenure of their office.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES:

As on 31st March, 2016, your Company had only two Wholly Owned Subsidiaries - Luxlite Lamps S.a.r.l. (Luxembourg) and Trifa Lamps Germany GmbH (Germany). During the year, your Company has purchased 83% of Trifa shares held by Luxlite Lamps to make Trifa Lamps a 100% Wholly Owned subsidiary of your Company. International Lamps Holding Company SA,(ILHC) was merged with Luxlite to make Luxlite, a Wholly Owned Subsidiary of your Company. Your Directors' believe that the current structure of 100% ownership of these two subsidiaries will pave way for much better ownership structure, improved organizational efficiencies, reduced compliances and focused operational performance.

Mr.Frank Klinkert continues to be Managing Director at Luxlite Lamps S.a.r.L and Ms. Mary Gentzsch continues to be Managing Director at Trifa Lamps. The Shareholders may be aware that during the previous ownership, the Company had invested in these companies. In line with the prudent and conservative management approach by new Board of Directors, the investment value in Luxlite Lamps was reviewed by your Directors and a provision has been made in the books of accounts for diminution in value of investments amounting to Rs. 1995.36 Lakhs. This is shown as an exceptional expense. Both ownership restructuring in Luxlite and Trifa, and diminution in investment are reflected appropriately at the subsidiary and the Holding Company accounts.

The total revenue of Luxlite Lamps S.a.r.l. was Rs. 9,319.30 Lakhs (Euro 128.88 Lakhs) for the year 2015-16 against Rs. 9,130.76 Lakhs (Euro 117.86 Lakhs) for the year 2014-15, an increase of 2%. The Loss was Rs.294.26 Lakhs (Euro 4.07 Lakhs) for the year 2015-16 against the loss of Rs. 753.36 Lakhs (Euro 9.72 Lakhs) for the year 2014-15. The Profit Before Tax after exceptional items was Rs. 2,378.66 Lakhs (Euro 32.90 Lakhs) for the year 2015-16 against Loss of Rs. 1,359.24 Lakhs (Euro 17.55 Lakhs) for the year 2014-15. Profit before Tax for the year 2015-16 includes Profit on Sale of Investment in Trifa of Rs. 3,043.35 Lakhs (Euro 42.09 Lakhs).

The Total Revenue of Trifa Lamps Germany GmbH was Rs.11,687.24 Lakhs (Euro161.63 Lakhs) for the year 2015-16 against Rs. 14,691.68 Lakhs (Euro 189.64 Lakhs) for the year 2014-15, a decrease of 20%. The EBIDTA was Rs. 831.61 Lakhs (Euro 11.50 Lakhs) for the year 2015-16 against Rs. 467.39 Lakhs (Euro 6.03 Lakhs) for the year 2014-15 an increase of 78%. The Profit before Tax was Rs. 667.28 Lakhs (Euro 9.23 Lakhs) for the year 2015-16 against Rs. 319.87 Lakhs (Euro 4.13 Lakhs) for the year 2014-15 an increase of 109%.

With the restructuring of subsidiaries and focused business development plan, your Directors expect the performance of the wholly owned subsidiaries to stabilize in the current year.

5. **EXTRACT OF THE ANNUAL RETURN**

The extract of the Annual Return in Form MGT-9 is enclosed as a part of this report in compliance with Section 134(3) of the Companies Act, 2013. ***(Annexure-1)***

6. **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186.**

The Company has entered into in following transactions pursuant to Section 186 of the Companies Act, 2013:

Name of the entity	Particulars of Loans, Guarantees or Investments	Amount (Rs. in Lakhs)
Trifa Lamps Germany, GmbH	Stand by letter of credit	1,126.43
Trifa Lamps Germany, GmbH	Acquisition of 25,000 shares of Trifa Lamps Germany Gmbh from Luxlite Lamps Sarl @ 166.448 EURO per Share	3,116.32
Trifa Lamps Germany, GmbH	Short Term loan of Euro One Million was granted on 09-11-2015 The Term Loan was repaid with interest on 09-02-2016 Outstanding Balance as on 31.03.2016	715.50 Nil

7. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT, 2013.

All related party transactions which were entered in to, during the financial year were in the ordinary course of business and were on arm's length basis. There were no material related party transactions entered by the Company with Directors, KMPs or other persons which may have a potential conflict with the interest of the Company.

All related party transactions, wherever applicable, are placed before the Audit Committee. The quarterly disclosures of transactions with related parties are made to the Audit Committee and also disclosed to the Stock Exchanges under SEBI (LODR) Regulations, 2015.

The policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Company- www.phoenixlamps.co.in.

In compliance with Section 134(3) of the Companies Act, 2013, particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 are enclosed, in the Form AOC-2, as a part of this report ***(Annexure-2).***

8. NUMBER OF BOARD MEETINGS HELD DURING THE FINANCIAL YEAR

During the financial year 2015-2016, seven (7) meetings of the Board of Directors were held on 14th May, 2015, 22nd May, 2015, 18th June, 2015 at 4:00 p.m., 18th June,2015 at 5:30 p.m., 9th August, 2015, 7th November, 2015 and 8th February, 2016.

9. DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, your Directors hereby state and confirm that:

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

b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d. they have prepared the annual accounts on a going concern basis;

e. they have laid down internal financial controls to be followed by the Company and such internal financial control are adequate and were operating effectively; and

f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

10. COMMENTS BY THE BOARD ON AUDIT QUALIFICATION

There are no qualifications, reservations or adverse remarks or disclaimers made by Statutory Auditors, in their report and by Secretarial Auditor, in his secretarial audit report.

11. RISK MANAGEMENT POLICY

Your Directors have adopted a Risk Management Policy for the Company. The Audit Committee and the Board of Directors of the Company review the risks, if any, involved in the Company from time to time, and take appropriate measures to minimize the same. The Audit Committee ensures that the Policy for Risk Management is adopted across the Company in an inclusive manner.

12. ORDERS PASSED BY THE REGULATORS OR COURTS, IF ANY

No significant and material orders were passed by the Regulators, Courts or Tribunals impacting the going concern status and Company's operations in future.

13. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

The Company's internal control systems are supplemented by an extensive programme of internal audit by an independent professional agency and periodically reviewed by the Audit Committee and Board of Directors. The internal control system is designed to ensure that all financial and other records are reliable for preparing financial statements, other data and for maintaining accountability of assets.

14. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

In terms of the definition of 'Independent Director' as prescribed under SEBI (LODR) Regulations 2015 entered with Stock Exchanges and Section 149(6) of the Companies Act, 2013 and based on the confirmation/disclosures received from following Independent Directors :-

Following Directors were on the Board up to 18th June, 2015 :

- Mr. Padmanabh P Vora(DIN- 00003192)
- Mr. Gurdeep Singh (DIN- 00036922)
- Mr. Ganapathi Rathnam (DIN-00171207)
- Ms. Sunita Mathur (DIN-00008923)

After 18th June, 2015 following are on the Board

- Mr. Suresh Shetty (DIN-00316830)
- Mr. Ian Williamson (DIN-01805348)
- Ms. Sunita Mathur (DIN-00008923)

15. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS AS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013.

Your Company has adopted a Policy on Directors' Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under Section 178(3) of the Companies Act, 2013. The Policy is enclosed as a part of this report in compliance with Section 134(3) of the Companies Act, 2013 ***(Annexure-3).*** The Policy on Terms of Appointment of Independent Directors as approved by the Board of Directors is uploaded on the website of the Company- www.phoenixlamps.co.in.

16. PERFORMANCE EVALUATION OF THE BOARD

The Nomination and Remuneration Committee at its meeting held at November 11, 2015 and the Board of Directors at its meeting held on February 8, 2016 respectively, had laid down criteria for performance evaluation of Directors, Key Managerial Personnel (KMPs) and Board and its Committees as a whole. Further, self evaluation with respect to performance of the Committees was done by the Committees and then recommended to the Board for further evaluation. The Board of Directors in its meeting held on February 8, 2016 has reviewed the performance of the Committees, the Members and the Board as a whole. The criteria and manner for performance evaluation is as per the Nomination and Remuneration Policy, as annexed to this Report.

17. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

In compliance with Section 135 of the Companies Act, 2013 read with the rules made there under, the Company has formed Corporate Social Responsibility (CSR) Committee. The Annual Report on CSR Activities forms part of this Report as **(Annexure-4)**. The Policy on Corporate Social Responsibility as approved by the Board of Directors is uploaded on the website of the Company- www.phoenixlamps.co.in.

The composition of the Corporate Social Responsibility Committee is as under:

Name of Members	DIN	Composition of the CSR Committee
Mr. K. Ajith Kumar Rai	01160327	Chairman, Non-executive Director
Mr. Ian Williamson	01805248	Non-executive Independent Director
Mr. Suresh Shetty	00316830	Non-Executive Independent Director

18. AUDIT COMMITTEE

The Company complies with the provisions related to Audit Committee and SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013. The composition of the Audit Committee is as under:

Name of Members	DIN	Composition of the Audit Committee
Mr. Suresh Shetty	00316830	Chairman, Non-executive Independent Director
Mr. Ian Williamson	01805248	Non-executive Independent Director
Mr. K. Ajith Kumar Rai	01160327	Non-Executive Director

All Members of the Committee are financially literate, Mr. Suresh Shetty, Chairman, is a Commerce graduate and a qualified Chartered Accountant and underwent Management Education Programme (M.E.P.) in IIM, Ahmadabad, having the requisite financial management expertise.

19. VIGIL MECHANISM

Your Company has formulated the Whistle Blower Policy with a view to provide a mechanism for Employees and Directors of the Company to approach the Whistle blower Compliance Officers/the Audit Committee of the Company in compliance with Section 177(9) of the Companies Act, 2013 and of the SEBI (LODR) Regulations, 2015, details of the Whistle Blower Policy are explained in the Report on Corporate Governance and Whistle Blower policy of the Company is available on the website of the Company i.e. www.phoenixlamps.co.in.

20. DISCLOSURES UNDER SECTION 197 OF THE COMPANIES ACT, 2013 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

In accordance with the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and other particulars of employees are set out in the annexure to the Board's Report and forms part of this report. In terms of the provisions of Section 136(1) of the Companies Act, 2013, the Board's Report is being sent to the shareholders without this annexure. Shareholders interested in obtaining a copy of the annexure may write to the Company Secretary at the Company's Registered Office.

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are forming part of this report as **(Annexure-5).**

21. EMPLOYEES STOCK OPTIONS DETAILS.

The Company does not have any Employee Stock Option Scheme.

22. AUDITORS

STATUTORY AUDITOR

Messrs. S. R. Batliboi & Co. LLP, Chartered Accountants (Firm Registration No. 301003E/E300005) have been appointed as the Statutory Auditors of the Company in the 23rd Annual General Meeting of the Company held on July 21, 2014, to hold the office till the conclusion of 28th Annual General Meeting of the Company, subject to the ratification of shareholders at every Annual General Meeting.

The Shareholders ratified appointment of Messrs S. R. Batliboi & Co. LLP, Chartered Accountants as the Statutory Auditors for the Financial Year 2015-2016.

Further, the ratification in respect with the appointment of Messrs S. R. Batliboi & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company is proposed for the ratification of shareholders in the Notice of 25th Annual General Meeting of the Company.

SECRETARIAL AUDITOR

Pursuant to Section 204 of the Companies Act, 2013, the Company had appointed Mr. Parameshwar G Bhat, Practising Company Secretary, Bangalore as its Secretarial Auditor to conduct the Secretarial Audit of the Company for FY 2015-2016. The Report of Secretarial Auditor (Form MR-3) for the FY 2015-2016 is annexed to the report as **(Annexure-6)**.

COST AUDITOR

On the recommendation of Audit Committee and in accordance with the provisions under Section 148 of Companies Act, 2013 read with rules made there under, the Board of Directors in its meeting held on May 28th, 2016 has appointed Messrs J. K. Kabra & Company, Cost Accountants as the Cost Auditor of the Company for the financial year 2016-17 on such remuneration as may be decided by the Board and out of expenses on actual basis for the year 2016-17.

The remuneration payable to the Cost Auditor of the Company has been proposed for ratification by the members of the Company and shall form part of the notice of 25thAnnual General Meeting.

24. PUBLIC DEPOSITS

Your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013.

25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Information under Section 134(3) (m) of the Companies Act, 2013, read with rule 8(3) of the Companies (Accounts) Rules, 2014 is given below:

A. Conservation of Energy

i. Steps taken or impact on conservation of energy:-

The Company continues its policy of giving priority to energy conservation measures including regular review of energy conservation, consumption and effective control of utilization of energy.

The following energy conservation measures were implemented during the year under review.

- High wattage Sodium vapor and Mercury lamps replaced by low wattage LED lamps.
- Capacity of APFC (Auto Power Factor Correction) panel has been increased to maintain the value of power factor by nearly 0.99 to reduce the reactive power loss.
- Up-gradation of machine by using VFDs (Variable Frequency Drives) and TPRs (Thyristor Power Regulators) to increase the m/c efficiency and reduction of power consumption.

ii. The steps taken by the Company for utilizing alternate sources of energy-NIL.

iii. Capital investment on energy conservation equipment

(a) Additional Investments and proposals, if any, being implemented for reduction of consumption of energy. Capital expenditure plan to improve process and product quality is launched and is expected to have overall lower energy consumption.

(b) Impact of the measures referred to above for reduction of energy consumption and consequent impact on the cost of production of goods. This will be felt in the medium term.

B. Technology Absorption, Adaptation and Innovation

i) Efforts in brief made towards technology absorption, adaptation and innovation-NIL

ii) Benefits derived as a result of the above efforts: N.A.

iii) Details of technology imported during last five years

(a) Technology Imported: N.A.

(b) Year of Import: N.A.

(c) Has technology been fully absorbed: N. A.

(d) If not fully absorbed, area where this has not taken place: N.A.

Expenditure incurred on Research and Development.

During the year under review, the Company has not incurred any expenses on Research & Development. The Company's products viz. Halogen Lamps are produced with well established technologies. However, in the current year, a focus has been initiated on R&D for new products and upgrades.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Foreign Exchange earned in terms of actual inflows and the Foreign Exchange outgo in terms of actual outflows, during financial year 2015-16 are as follow :-

PARTICULARS	Current Year (Rs. in Lakhs)	Previous Year (Rs. in Lakhs)
1. Foreign Exchange Earnings	**9,456.64**	11,143.07
2. Foreign Exchange Outgo -		
(a) Raw Materials	**3,329.53**	4,421.48
(b) Traded Goods	**-**	-
(c) Capital Goods	**361.24**	152.78
(d) Spare Parts	**99.92**	95.91
(e) Foreign Traveling/ Selling Expenses/ Other Expenses	**73.90**	77.68

26. MANAGEMENT DISCUSSION & ANALYSIS REPORT

a) INDUSTRY STRUCTURE AND DEVELOPMENT

Your Company retained its position as a market leader in Automotive Halogen Lamps in India with supplies to all major OEMs in Passenger Vehicle and Two Wheeler Industry. It is also a major exporter to developed countries. The long term outlook for the Indian automotive industry remains positive due to strong macroeconomic fundamentals, improving economic activity and easy availability of finance. With almost all the major automobile manufacturers setting up production bases in India, your Directors expect a satisfactory growth for your Company in the coming years.

b) OPPORTUNITIES AND THREATS

OPPORTUNITIES

- Potential to improve aftermarket including OLM.
- Potential to grow the exports business.
- Entry into new platforms launches in the OEM segment.
- Introduction of new and higher margin products.

THREATS

- Quality issues with customers can reduce their off-take.
- Service and deliver issues can reduce customer business.
- Slowdown in the Indian Auto industry can impact OEM volumes.
- Currency fluctuations can affect the nett realization of sales and hence the margins.

c) SEGMENTWISE OR PRODUCTWISE PERFORMANCE

As at March 31st, 2016, the Company is engaged in manufacturing and trading of Automotive Lamps.

d) OUTLOOK

The outlook for the current year looks reasonable considering the decent economic growth, automotive outlook for OE, aftermarket and exports.

e) RISKS AND CONCERN

The Company has faced quality problems and customer complaints repeatedly in the past years, leading to loss of business. Excessive volatility in the Company's key raw materials can have impact on its profitability. As the Company derives a portion of its revenues from exports and pays for purchases with foreign exchange, excessive fluctuations in currency rates can have impact. The Company is taking effective steps to address these issues.

f) INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate system of internal controls commensurate with its size to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition. All the transactions are authorized, recorded and reported correctly.

g) FINANCIAL PERFORMANCE VIS-A-VIS OPERATIONAL PERFORMANCE

Your Company recorded Gross Income of Rs. 24,496.78 Lakhs. Profit before tax after exceptional items was Rs. 1277.31 Lakhs and the Net Profit for the current financial year is Rs. 141.36 Lakhs.

The Company's internal control systems are further supplemented by an extensive programme of internal audit by an independent professional agency and periodic review by the Management. The internal control system is designed to ensure that all financial and other records are reliable for preparing financial statements, and for maintaining accountability of assets.

h) MATERIAL DEVELOPMENTS IN HUMAN RESOURCES & INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED.

Employees continue to be the backbone of the Organization. Industrial Relations have been generally harmonious in all units.

Sound human resource development policies of the Company ensure that each employee grows as an individual and contributes to the performance and growth of the Company. Regular in-house training programs for employees at all levels help in this objective. The number of persons employed in the Company is 830 (on rolls) as on 31st March, 2016.

27. CORPORATE GOVERNANCE

Your Company is committed to achieve the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set by the Regulators/applicable laws.

A separate section on Corporate Governance standards followed by the Company, as stipulated under SEBI (LODR), Regulations, 2015 is enclosed as an Annexure to this report. The report on Corporate Governance also contains certain disclosures required under the Companies Act, 2013.

A Certificate from Mr. Vijayakrishna K.T., Practising Company Secretary, confirming compliance to the conditions of Corporate Governance as stipulated under SEBI (LODR), Regulations, 2015, is annexed to this Report.

POLICIES

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the corporate governance policies are available on the website (www.phoenixlamps.co.in). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

LISTING AGREEMENT

Securities and Exchange Board of India (SEBI) on 2nd September, 2015 issued SEBI (LODR) Regulations, 2015 which is effective from 1st December, 2015. Accordingly, all listed entities were entitled to enter into listing agreement within six months from effective date. The Company entered into listing Agreement with BSE Limited and National Stock Exchange of India Limited during December, 2015

28. LISTING OF SHARES

The Equity Shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. The Listing Fees for the financial year 2016-17 has been paid.

29. CAUTIONARY NOTE

Management Discussion and Analysis forming part of this Report is in compliance with Corporate Governance Standards incorporated in the Listing Agreement with Stock Exchanges and such statements may be " forward looking" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important Factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets / currency fluctuations in which the Company operates, changes in the Government regulations, tax laws and other statues and other incidental factors.

30. ACKNOWLEDGEMENT

Your Directors wish to place on record their gratitude to NSEZ Authorities, Banks, Business Associates and Shareholders for their unstinted support, assistance and co-operation. Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the Industry.

For and on behalf of the Board

Place: Noida
Date: May 28, 2016

K. Ajith Kumar Rai
Chairman
DIN: 01160327

CEO & CFO CERTIFICATION

I, N. S. Mohan, Chief Executive Officer of the Company certify to the Board of Directors that:

(a) I have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March, 2016 and that to the best of our knowledge and belief:

   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.

(c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we confirm that there are no deficiencies in the design or operation of such internal controls.

(d) I have indicated to the auditors and the Audit Committee that there is:

   (i) no significant changes in internal control over financial reporting during the year;

   (ii) no significant changes in accounting policies during the year;

   (iii) no instances of significant fraud in the company has come to our knowledge.

Place: Noida
Date: May 28, 2016

N. S. Mohan
Chief Executive Officer
DIN: 01916468

Annexure-1

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2016

I. REGISTRATION & OTHER DETAILS:

(i)	CIN	L31500UP1991PLC012944
(ii)	Registration Date	26-03-1991
(iii)	Name of the Company	Phoenix Lamps Limited
(iv)	Category/ Sub-Category of the Company	Public Company
(v)	Address of the Registered office and contact details	59-A, Noida Special Economic Zone, Phase-II, Noida, District Gautam Budh Nagar, Uttar Pradesh - 201305 Contact No. 0120-4012222 FAX No.- 120-2562943 Email: Investor.relations@phoenixlamps.co.in Website www.phoenixlamps.co.in
(vi)	Whether listed company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Alankit Assignments Limited Alankit Heights, 1E/13 Jhandewalan Extension, New Delhi-110055 Email-rta@alankit.com; info@alankit.com Phone No.-011-23541234, 42541234 FAX No. -011-41543474

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Manufacturing and Trading of Automotive Halogen Lamps	274	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares held	Applicable Section
1	Suprajit Engineering Limitedv #100, Bommasandra Industrial Area, Bangalore – 560 099	L919KA1985 PLC006934	Holding	61.93	2(46)
2	Luxlite Lamps S.A.R.L ZA Windhof, 22 Rue de l'Industrie-8399 Wandhaff, Luxembourg	N.A.	Subsidiary	100.00	2(87)(ii)
3	Trifa Lamps GmbH In den Bruchwiesen 12, 76855 Annweiler	N.A.	Subsidiary	100.00	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2015]				No. of Shares held at the end of the year [As on 31.03.2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0.00	0	0	0	0.00	0
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0
d) Bodies Corp.	0	0	0	0.00	17352176	0	17352176	61.93	61.93
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0
f) Any other	0	0	0	0.00	0	0	0	0.00	0
Sub-total (A) (1):-	0	0	0	0.00	17352176	0	17352176	61.93	61.93
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0
b) Other – Individuals	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corp.	17337155	0	17337155	61.88	0	0	0	0.00	(61.88)
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other….	0	0	0	0.00	0	0	0	0.00	0.00
Sub -total (A) (2):-	17337155	0	17337155	61.88	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	17337155	0	17337155	61.88	17352176	0	17352176	61.93	61.93
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	4200	4200	0.01	3816	4000	7816	0.03	0.02
b) Banks / FI	17463	0	17463	0.06	15764	0	15764	0.06	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	615566	0	615566	2.20	475932	0	475932	1.70	(0.50)
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	633029	4200	637229	2.27	495512	4000	499512	1.79	(0.48)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	1550166	24400	1574566	5.62	1343502	24400	1367902	4.88	(0.74)

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01.04.2015]				No. of Shares held at the end of the year [As on 31.03.2016]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	4471066	1510634	5981700	21.35	5615277	1463111	7078388	25.26	3.91
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1725795	33200	1758995	6.28	1102877	33200	1136077	4.06	(2.22)
c) Others (specify)									
Non Resident Indians	729655	0	729655	2.60	540245	0	540245	1.93	(0.67)
Trusts	0	0	0	0.00	45000	0	45000	0.16	0.00
Sub-total (B)(2):-	8476682	1568234	10044916	35.85	8646901	1520711	10167612	36.29	0.44
Total Public Shareholding (B)=(B)(1)+ (B)(2)	9109711	1572434	10682145	38.12	9142413	1524711	10667124	38.08	(0.04)
C. Shares held by Custodian for GDRs & ADRs									
Promoter and promoter group	0	0	0	0.00	0	0	0	0.00	0.00
Public	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (C)	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	26446866	1572434	28019300	100.00	26494589	1524711	28019300	100.00	0.00

(ii) Shareholding of Promoters-

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Argon India Limited	15906070	56.768	0	Nil	0.00	0.00	(56.768)
2	Argon South Asia Limited	3976517	14.192	0	Nil	0.00	0.00	(14.192)
3.	Suprajit Engineering Limited				17352176	61.93	0.00	61.93

* % change during the year in bracket shows the decrease in shareholding.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)-

Sl No.	Particulars	Shareholding at the beginning of the year [As on 1-April-2015]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**At the beginning of the year**	1,73,37,155	61.88	1,73,37,155	61.88
	Argon India Limited	1,38,71,344	49.51	-	-
	Argon South Asia Limited	34,65,811	12.37	-	-
2	**Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc.)**				
	18.06.2015 Sold to Suprajit Engineering Limited Argon India Limited Argon South Asia Limited	1,42,89,843	51.00		
	11.06.2015- An 'Open Offer' was made to minority shareholders to acquire additional 26% Shares.	15,021	0.05		
	09.10.2015 Sold to Suprajit Engineering Limited Argon India Limited Argon South Asia Limited	30,47,312	10.88		
	Suprajit Engineering Limited Total Acquisition of Shares	-		1,73,52,176	61.93
	At the end of the year	**-**	**-**	**1,73,52,176**	**61.93**

(iv) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No.	Particulars	Shareholding at the beginning of the year [As on 1-April-2015]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Premier Investment Fund Limited**				
	At the beginning of the year (as on 01.04.2015)	5,60,000	1.999	5,60,000	1.999
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	During 10-04-2015 to 01-05-2015 (Purchase 9768)	0.034	5,69,768	2.033

Sl No.	Particulars	Shareholding at the beginning of the year [As on 1-April-2015]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		During 02-05-2015 to 08-05-2015 (Purchase 15232	0.054	5,85,000	2.087
		During 10-07-2015 to 17-07-2015 (Sale 6737)	0.024	5,78,263	2.063
		During 18-07-2015 to 25-07-2015 (Sale 18263)	0.065	5,60,000	1.998
		During 26-07-2015 to 31-07-2015 (Sale 75000)	0.267	4,85,000	1.730
		During 01-08-2015 to 07-08-2015 (Sale 25000)	0.089	4,60,000	1.641
	At the end of the year (as on 31.03.2016)	4,60,000	1.641	4,60,000	1.641
2	**Rajasthan Global Securities Limited**				
	At the beginning of the year (as on 01.04.2015)	3,30,651	1.18	3,30,651	1.18
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	During 09-05-2015 to 15-05-2015 (Purchase 1,04,116)	0.371	4,34,767	1.551
		During 23-05-2015 to 29-05-2015 (Sale 2082)	0.007	4,32,685	1.544
		During 13-06-2015 to 19-06-2015 (Purchase 4998)	0.017	4,37,683	1.562
		During 04-07-2015 to 10-07-2015 (Sale 19,143)	0.068	4,18,540	1.493
		During 11-07-2015 to 17-07-2015 (Sale 229,930)	0.820	1,88,610	0.673
		During 18-07-2015 to 25-07-2015 (Sale 143,494)	0.512	45,116 (Hereafter, no more a majority shareholder)	0.161
	At the end of the year (as on 31.03.2016)	370	0.000	370	0.000

Sl No.	Particulars	Shareholding at the beginning of the year [As on 1-April-2015]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	**Sunil Sehgal**				
	At the beginning of the year (as on 01.04.2015)	1,97,500	0.705	1,97,500	0.705
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	During 30-05-2015 to 05-06-2015 (Sale 7635)	0.027	1,89,865	0.677
		During 06-06-2015 to 12-06-2015 (Sale 16465)	0.058	1,73,400	0.618
		During 13-06-2015 to 19-06-2015 (Sale 6100)	0.021	1,67,300	0.597
		During 20-06-2015 to 26-06-2015 (Sale 1)	0.000	1,67,299	0.597
		During 01-07-2015 to 03-07-2015 (Sale 8985)	0.032	1,58,314	0.565
		During 04-07-2015 to 10-07-2015 (Sale 4766)	0.017	1,53,548	0.548
		During 26-07-2015 to 31-07-2015 (Sale 8350)	0.029	1,45,198	0.518
		During 01-08-2015 to 07-08-2015 (Sale 856)	0.003	1,44,342	0.515
		During 08-08-2015 to 14-08-2015 (Sale 19,029)	0.067	1,25,313	0.447
		During 16-08-2015 to 21-08-2015 (Sale 10,586)	0.037	1,14,727	0.409
		During 22-08-2015 to 28-08-2015 (Sale 12,265)	0.043	1,02,462	0.365

Sl No.	Particulars	Shareholding at the beginning of the year [As on 1-April-2015]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		During 29-08-2015 to 04-09-2015 (Sale 17,250)	0.061	85,212	0.304
		During 05-09-2015 to 11-09-2015 (Sale 2,000)	0.007	83,212	0.296
		During 12-09-2015 to 18-09-2015 (Sale 1,149)	0.004	82,063	0.292
		During 19-09-2015 to 25-09-2015 (Sale 3,063)	0.010	79,000	0.281
		During 26-09-2015 to 30-09-2015 (Sale 1,500)	0.005	77,500	0.276
		During 03-10-2015 to 09-10-2015 (Sale 1,000)	0.003	76,500	0.273
		During 10-10-2015 to 16-10-2015 (Sale 3,249)	0.011	73,251	0.261
		During 17-10-2015 to 23-10-2015 (Sale 4,500)	0.016	68,751	0.245
		During 24-10-2015 to 30-10-2015 (Sale 2,000)	0.007	66,751	0.238
		During 08-01-2016 to 15-01-2016 (Sale 16,458)	0.587	50,293 (Hereafter no more, one of Top shareholder	0.179
	At the end of the year (as on 31.03.2016)	11099	0.039	11,099	0.039
4	**Nagaraj Garimalla**				
	At the beginning of the year (as on 01.04.2015)	1,91,217	0.682	1,91,217	0.682
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	During 01-05-2015 to 08-05-2015 (Sale 191217)	0.682	0	0.000
	At the end of the year (as on 31.03.2016)	Nil	Nil	Nil	Nil

Sl No.	Particulars	Shareholding at the beginning of the year [As on 1-April-2015]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	**Madhavan Kunniyur**				
	At the beginning of the year (as on 01.04.2015)	1,14,484	0.409	1,14,484	0.409
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	During 01-05-2015 to 08-05-2015 (Sale 114410)	0.408	74	0.001
	At the end of the year (as on 31.03.2016)	Nil	Nil	Nil	Nil
6	**Suvarna Kumari Agrawal**				
	At the beginning of the year (as on 01.04.2015)	99,000	0.353	99,000	0.353
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	During 01-10-2015 to 09-10-2015 (Purchase 9010)	0.032	1,08,010	0.385
		During 10-10-2015 to 16-10-2015 (Purchase 26990)	0.096	1,35,000	0.481
		During 06-11-2015 to 13-11-2015 (Purchase 4809)	0.017	1,44,809	0.516
		During 06-11-2015 to 13-11-2015 (Purchase 4809)	0.017	1,44,809	0.516
		During 14-11-2015 to 20-11-2015 (Purchase 4191)	0.014	1,49,000	0.531
	At the end of the year (as on 31.03.2016)	149000	0.531	1,49,000	0.531
7	**Maya Appliances Private Limited**				
	At the beginning of the year (as on 01.04.2015)	91838	0.328	91,838	0.328
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	During 04-04-2015 to 10-04-2015 (Purchase 18000)	0.064	1,09,838	0.392
	At the end of the year (as on 31.03.2016)	109838	0.392	1,09,838	0.392

Sl No.	Particulars	Shareholding at the beginning of the year [As on 1-April-2015]		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
8	**GEPL Finance Private Limited**				
	At the beginning of the year (as on 01.04.2015)	75,000	0.267	75,000	0.267
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	During 27-11-2015 to 04-12-2015 (Sale 75000)	0.267	0	0.000
	At the end of the year (as on 31.03.2016)	Nil	0.000	Nil	0.000
9	**Chandravadan Desai**				
	At the beginning of the year (as on 01.04.2015)	59,919	0.214	5,9919	0.214
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	During 01-05-2015 to 08-05-2015		59,919 (Hereafter no more, one of Top shareholder)	0.214
	At the end of the year (as on 31.03.2016)	Nil	0.000	Nil	0.000
10	**Janet Christine Depenning**				
	At the beginning of the year (as on 01.04.2015)	58,710	0.209	58,710	0.209
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	No Change during the year			
	At the end of the year (as on 31.03.2016)	58,710	0.209	58,710	0.209

Note: Closing of Top ten shareholders of the Company as on March 31, 2015 has been considered for the above disclosure.

(v) Shareholding of Directors and Key Managerial Personnel-

Sl No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	NIL	NIL	NIL	NIL
2	Date wise Increase / Decrease in Directors & KMPs Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL	NIL	NIL	NIL
3	At the end of the year	NIL	NIL	NIL	NIL

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	50,23,37,133	-	-	50,23,37,133
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**50,23,37,133**	**-**	**-**	**50,23,37,133**
Change in Indebtedness during the financial year				
* Addition	31,94,00,649	-	-	31,94,00,649
* Reduction	(40,98,32,763)	-	-	(40,98,32,763)
Net Change	(9,04,65,645)	-	-	(90,4,65,645)
Indebtedness at the end of the financial year				
i) Principal Amount	409,832,763	-	-	409,832,763
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,038,726	-	-	2,038,726
Total (i+ii+iii)	**411,871,489**	**-**	**-**	**411,871,489**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: **(Amount in Rs.)**

S.N.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		MD	CEO	WTD	Manager	
		Mr. Pranay D Gandhi *	Mr. N S Mohan			
1	Gross salary			--	--	
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	45,72,765	Nil	--	--	45,72,765
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	11,514	Nil	--	--	11,514
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	2,48,300	Nil	--	--	2,48,300
2	Stock Option	--	--	--	--	
3	Sweat Equity	--	--	--	--	
4	Commission					
	- as % of profit					
	- others, specify…					
5	Others, please specify	--	--	--	--	
	Total (A)	48,32,579	Nil	N.A.	N.A.	48,32,579
	Ceiling as per the Act (5% of the net profit of the Company as calculated in manner provided under Section 198 of the Companies Act, 2013)					1,64,28,050

* Mr. Pranay D. Gandhi resigned as Managing Director and Director with effect from 18th June, 2015.

* Mr. N.S. Mohan is paid remuneration from its Holding Company.

B. Remuneration to other Directors- **(Amount in Rs.)**

S.N.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Padmanabh P. Vora	Mr. Gurdeep Singh	Ms. Sunita Mathur	Mr. Ian Williamson	Mr. Suresh Shetty	
1	**Independent Directors**						
	Fee for attending board committee meetings	2,00,000	2,00,000	1,60,000	0	1,00,000	6,60,000
	Remuneration by way of Commission	NIL	NIL	3,00,000	Waived Off	3,00,000	6,00,000
	Others, please specify	--	--	--			--
	Total (1)	2,00,000	2,00,000	4,60,000	Nil	4,00,000	12,60,000
2	**Other Non-Executive Directors**	Mr. Ganpati Rathinam	Mr. Shomik P. Mukherjee	Mr. K.Ajith Kumar Rai			
	Fee for attending board committee meetings	80,000	40,000	0			1,20,000
	Commission	NIL	NIL	NIL			--
	Others, please specify	--	--				--
	Total (2)	80,000	40,000				1,20,000
	Total (B)=(1+2)						13,80,000
	Total Managerial Remuneration **Total=(A+B)**						62,12,579
	Overall Ceiling as per the Act (10% of the net profit of the Company as calculated in manner provided under Section 198 of the Companies Act, 2013)						3,28,56,100

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Amount in Rs.)

S.N.	Particulars of Remuneration	Key Managerial Personnel			
		***Outgoing CS**	****Present CS**	*****CFO**	**Total**
1	Gross salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	5,34,222	1,24,200	37,65,521	44,23,943
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	7,863	-	2,20,800	2,28,663
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	96,456	74,004	6,37,560	8,08,020
2	Stock Option	--	--	--	--
3	Sweat Equity	--	--	--	--
4	Commission - as % of profit - others, specify…	--	--	--	--
5	Others, please specify	--	--	--	--
	Total	**6,38,541**	**1,98,204**	**46,23,881**	**54,60,626**

*Remuneration of Mr.Aditya Rungta as outgoing Company Secretary is till 09.10.2015.

** Remuneration of Ms. Shrabanti Mandol is from 12.10.2015 to 31.03.2016.

*** Remuneration of Mr. Gagandeep Singh as Chief Financial Officer is till 31.03.2016.

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees\ imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure-2 to Board Report (AOC-2)

Disclosure of particulars of contracts/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 arms length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis: NIL**
   (a) Name(s) of the related party and nature of relationship:
   (b) Nature of contracts/arrangements/transactions:
   (c) Duration of the contracts / arrangements/transactions:
   (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
   (e) Justification for entering into such contracts or arrangements or transactions
   (f) Date(s) of approval by the Board:
   (g) Amount paid as advances, if any:
   (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188:
2. **Details of material contracts or arrangement or transactions at arm's length basis:**

(a)	(b)	(c)	(d)	(e)	(f)
Name(s) of the related party and nature of relationship	**Nature of contracts arrangements transactions**	**Duration of the contracts / arrangements transactions**	**Salient terms of the contracts or arrangements or transactions including the value, if any**	**Date(s) of approval by the Board, if any**	**Amount paid as advances, if any**
Luxlite Lamps S.A.R.L, Luxembourg	Subsidiary of Phoenix Lamps Limited	Financial Year 2015-16	Sales – Rs. 4,498.76 Lakhs Freight Recovery- Rs. 53.91 lakhs Purchase of traded goods- Rs. 50.32 lakhs	N.A.	N.A.
Trifa Lamps Germany GmbH	Subsidiary of Phoenix Lamps Limited	Financial Year 2015-16	Sales – Rs. 3,101.14 Lacs Freight Recovery- Rs. 39.44 lakhs Stand by Letter of Credit- Rs. 1126.43 lakhs. Reimbursement of finance cost- Rs. 5.42 lakhs.	N.A.	N.A.
Suprajit Engineering Limited	Holding Company	Financial Year 2015-16	Management Fees- Rs.153.21 Lakhs.	N.A.	N.A.

For and on behalf of the **Board**

K. Ajith Kumar Rai
Chairman

Annexure-3

NOMINATION AND REMUNERATION POLICY

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the Listing Agreement as amended from time to time, this Nomination and Remuneration Policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

Objective and Purpose:

The objective and purpose of this Nomination and Remuneration Policy is:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage. In the context of the aforesaid criteria the following Nomination and Remuneration Policy has been formulated by the Committee and adopted by the Board of Directors at its meeting held on 29th September, 2014.

Effective Date:

This Nomination and Remuneration Policy shall be effective from 1st October, 2014.

Applicability:

The Nomination and Remuneration Policy is applicable to:

- Directors (executive and non-executive)
- Key Managerial Personnel
- Senior Management

General:

- This Nomination and Remuneration Policy is divided in two parts: Part – A covers the appointment and nomination and Part – B covers remuneration and perquisites etc.
- The key features of this Company's Nomination and Remuneration policy shall be included in the Board's Report.

PART A - POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

Appointment criteria and qualifications:

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of 70 (seventy) years. Provided that the term of the person holding this position may be extended beyond the age of 70 (seventy) years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond 70 (seventy) years.

Term / Tenure:

1. Managing Director/Whole-time Director:

   The Company shall appoint or re-appoint any person as its Chairperson/Chairman, Managing Director or Whole-time Director for a term not exceeding 5 (five) years at a time. No re-appointment shall be made earlier than 1 (one) year before the expiry of term.

2. Independent Director:
   - An Independent Director shall hold office for a term up to 5 (five) consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
   - No Independent Director shall hold office for more than 2 (two) consecutive terms, but such Independent Director shall be eligible for appointment after expiry of 3 (three) years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of 3 (three) years, be appointed in or be associated directly or indirectly with the Company in any other capacity.
   - At the time of appointment of Independent Director it should be ensured that number of boards on which such Independent Director serves is restricted as provided under the Companies Act, 2013 and the rules there under and the Listing Agreement.
   - The appointment/re-appointment of Independent Directors shall be in accordance with the condition as prescribed under the Companies Act, 2013, rules made there under and the Listing Agreement.

Evaluation:

The Committee shall carry out evaluation of performance of every Director, Key Managerial Personnel and Senior Management Personnel at regular interval (yearly) and recommend it to the Board.

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Retirement:

The Director, Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Managerial Personnel, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

PART B - POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

General:

1. The remuneration/ compensation/ commission etc. to the Whole-time Director, Key Managerial Personnel and Senior Management will be determined by the Committee based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organizations and recommended to the Board of Directors for approval. The remuneration/ compensation/ commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage/ slabs/ conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.
3. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board. Increments will be effective from 1st April in respect of all Whole-time Directors and employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Whole-time/ Executive/ Managing Director, Key Managerial Personnel and Senior Management:

1. Fixed pay:

   The Whole-time Director / Key Managerial Personnel and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

   If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3. Provisions for excess remuneration:

   If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

Remuneration to Non-Executive/ Independent Directors:

Independent Directors are appointed for their professional expertise in their individual capacity as independent professionals / business executives. Independent Directors receive sitting fees for attending the meeting of the Board and committees of the Board and commission as approved by the Board and shareholders.

1. Remuneration/ Commission:

   The remuneration/ commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made there under. The remuneration by way of commission paid to the Independent Directors shall be determined periodically and reviewed based on the industry benchmarks.

2. Sitting Fees:

   The non-executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed such maximum permissible amount per meeting of the Board or Committee as may be prescribed under the Companies Act, 2013 or such amount as may be prescribed by the Central Government from time to time.

3. Commission:

   Commission may be paid within the monetary limit approved by the Shareholders, subject to the limit not exceeding 1% of the profits of the Company, computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

   An Independent Director shall not be entitled to any stock option of the Company.

Annexure-4

THE ANNUAL REPORT ON CSR ACTIVITIES

1. **A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken:**

   Outline of the Company's CSR policy:

   Suprajit Foundation is spearheading the CSR activities of the Company. The focus area of the Foundation activities is education, healthcare and rural development. The policy of the Company is to give back to society that is in need of education, healthcare and upliftment of rural community. Suprajit Foundation is focused on executing socially relevant projects in these areas.

   Overview of Activities:

   Various projects under the above CSR policy are undertaken through Suprajit Foundation and well-known not-for-profit organizations. Some of these educational projects are undertaken by Bharatiya Vidya Bhavan, Vittala Vidya Sangha, etc. The mid-day meal program is undertaken through Akshayapatra Founation. Other not-for-profit agencies involved are Rotary Club of Bangalore Indiranagar, Needy Heart Foundation, One Billion Literates Foundation, etc. Suprajit Foundation has received the amounts due as per the CSR policy requirements. It spends a portion of the funds received and is developing a corpus fund for the significant future project in the area of focus as above.

   Web link to the CSR Policy of the Company:

   http://www.phoenixlamps.co.in/pdf/Corporate_Social_responsibility_Policy.pdf.

2. **The Composition of the CSR Committee.**

   Your Company recognizes its responsibility towards the society and environment in which it operates and accordingly had been working towards CSR and Sustainable Development. In accordance with Section 135 of the Companies Act, 2013, your Company has constituted Corporate Social Responsibility Committee to monitor the CSR activities.

   Members of the committee are:

   1. Mr. K. Ajith Kumar Rai (Chairperson of the Committee)
   2. Mr. Ian Williamson (Non-Executive Independent Director)
   3. Mr. Suresh Shetty (Non-Executive Independent Director)

3. **Average net profit of the company for last three financial years:** Rs. 3,665.97 lakhs/-
4. **Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above):** Rs. 73.32 lakhs/-
5. **Details of CSR spent during the financial year:** Rs. 73.70 Lakhs/-

   (a) **Total amount to be spent for the financial year:** Rs. 73.32 lakhs/-

   (b) **Amount unspent, if any:** Nil

For and on behalf of the
Corporate Social Responsibility Committee

K. Ajith Kumar Rai
Chairman of the Corporate Social Responsibility Committee

Annexure-5

a) Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Requirements	Particulars
The ratio of the remuneration of each director to the median remuneration of the employees for the financial year.	**As per note 1**
The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.	**As per note 2**
The percentage increase in the median remuneration of employees in the financial year.	**11.53%**
The number of permanent employees on the rolls of company.	**830**
The explanation on the relationship between average increase in remuneration and company performance.	The Company follows prudent remuneration practices under the guidance of the Board and the Nomination and Remuneration Committee. The Company's approach with respect to remuneration is intended to drive meritocracy within the framework of prudent nomination and remuneration policy. Remuneration is linked to corporate performance, business performance and individual performance. The total compensation is a prudent mix of fixed pay and variable pay. During the year under review, gross sales for the Automotive Business have decreased by 9.31%. The increase in remuneration is a function of factors outlined above.
Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.	The comparison of remuneration of each of the Key Managerial personnel against the performance of the Company, is as under: **Particulars** — **% of Net Profit for FY 2015-16** Managing Director — 34.19% Chief Financial Officer — 32.71% Company Secretary — 5.92%
Variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies.	The Market capitalization of the Company has increased from Rs. 263.94 Crores as of March 31, 2015 to Rs. 275.85 Crores as of March 31, 2016. Over the same period, the price to earnings ratio moved from 9.60x to 196.9x. The Company's stock price as at March 31, 2016 has increased by 885% to Rs 98.45 over the last public offering i.e. IPO in October 1992 at the price of Rs 10 per equity share.
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	The gross sale for the Automotive Business for the financial year ended March 31, 2016 have decreased by 9.31%.The aggregate remuneration of employees excluding Managing Director grew by 11.53% over the previous financial year.
The key parameters for any variable component of remuneration availed by the directors.	The key parameters for any variable component of remuneration availed by the Managing Director is determined by the Board of Directors and is within the criteria as laid down in the Nomination and Remuneration Policy of the Company.
The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Not Applicable.
Affirmation that the remuneration is as per the remuneration policy of the company.	The remuneration is as per the remuneration policy of the Company.

*Managing Director Remuneration is paid till 18th June, 2015.

Notes:

1. The ratio of the remuneration of each director to the median remuneration of the employees for the financial year ending on 31.03.2016 is as follow:

S. No.	Name of the Directors	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year ending 31.03.2016.
1	Mr. Pranay D. Gandhi	28.49x
2	Mr. Padmanabh P. Vora	1.18x
3	Mr. Gurdeep Singh	1.18x
4	Mr. Shomik P. Mukherjee	0.24x
5	Mr. Ganapati Rathinam	0.47x
6	Mr. Sunita Mathur	2.71x
7	Mr. K.Ajith Kumar Rai	Nil
8	Mr. Suresh Shetty	2.36x
9	Mr. Ian Williamson	Nil
10	Mr. N.S Mohan	Nil

*Managing Director Remuneration is paid till 18th June, 2015

* Except Ms. Sunita Mathur and Mr. Suresh Shetty, Sitting Fees of Non Executive Director is paid till 18.06.2015

The Median remuneration of the employees for the financial year ends March 31st, 2016 is Rs. 169627/-.

2. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year ends on 31.03.2016 is as follows:

S. No.	Name of the Director/KMP	Designation	As on 31.03.2015	As on 31.03.2016	% increase for F.Y. ending on 31.03.2016
1	Mr. Pranay D. Gandhi*	Managing Director	1,29,99,996	4,832,579	N.A.
2	Mr. Padmanabh P. Vora**	Non-executive Director	10,00,000	N.A.	NIL
3	Mr. Gurdeep Singh**	Independent Director	10,00,000	N.A	NIL
4	Mr. Shomik P. Mukherjee	Non-executive Director	N.A.	N.A.	N.A.
5	Mr. Ganapati Rathinam	Independent Director	N.A.	N.A.	N.A.
6	Ms. Sunita Mathur	Independent Director	N.A.	3,00,000	N.A.
7	Mr. Gagandeep Singh*	Chief Financial Officer	35,56,452	4,623,881	N.A.
8	Mr. Aditya Rungta*	Company Secretary	9,00,000	638,541	NIL
9.	Mr. Mohan N S	CEO & Director	--	Nil	N.A.
10.	Mr. Suresh Shetty	Independent Director	--	3,00,000	N.A.
11.	Mr. Ian Williamson	Independent Director	--	Nil	N.A.
12.	Mr. K. Ajith Kumar Rai	Chairman & Non-Executive Director	--	Nil	N.A.
13.	Ms. Shrabanti Mandol	Company Secretary	--	198,204	N.A.

*Managing Director Remuneration is paid till 18th June, 2015

Mr. K. Ajith Kumar Rai (Chairman and Non-Executive Director), Mr. Mohan N S (Director and Chief Executive Officer), Mr. Ian Williamson (Independent Director) and Mr. Suresh Shetty (Independent Director) were appointed on the Board on 18th day of June, 2015.

Ms. Sunita Mathur (Independent and Woman Director) was appointed on the Board with effect from 22nd March, 2015 and is continuing as Independent Director till date.

Mr. Padmanabh P Vora (Chairman), Mr. Pranay D. Gandhi (Managing Director), Mr. Gurdeep Singh (Independent Director) , Mr. Shomik P Mukherjee (Non-Executive Director) resigned from the Board of the Company with the Change in Management on 18th day of June, 2015.

Mr. Aditya Rungta, Company Secretary resigned on 9th October, 2015. Ms. Shrabanti Mandol, a qualified Company Secretary was appointed as Company Secretary of the Company with effect from 12th October, 2015.

Mr. Gagandeep Singh, Chief Financial Officer of the Company resigned from the Company with effect from 31st day of March, 2016.

* The above remuneration to the Non-Executive Directors does not include the sitting fees paid during the year.

b) Information as per Rule 5(2) of Chapter XIII of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

(i) During the financial year 2015-16, no employee received the remuneration aggregating to Rs. 60 lakhs p.a.

(ii) Employed for part of the year with an average salary above Rs. 5 lakh per month:

S. No.	Employee name	Designation	Educational qualification	Age	Experience (in years)	Date of joining	Gross (In Rs.) (Part year)	Previous employment and designation
1.	Akhilesh Kumar Goel	Chief Operating Officer	BSC, B.E, M.Sc Engg.	**50**	21.7	Oct 07, 2014	**77,89,495**	Krishna Group Auto Components
2.	Babu K.S.V.	Director Sales	SSLC,DME, BE,MBA,DBF	**49**	**26.50**	Dec 01, 2014	**71,95,331**	Bosch Limited

Notes:

1. The above employees are on the rolls of the Company.
2. None of the employees mentioned above is related to any director of the Company.
3. Information about qualifications and last employment is based on particulars furnished by the concerned employee.
4. None of the employee is relative of any Director of the Company and does not hold any equity share in the Company.

(iii) During the financial year 2015-16, no employee received remuneration in excess of the highest-paid director.

Annexure-6

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2016

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

To
The Members,
PHOENIX LAMPS LIMITED
Noida

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PHOENIX LAMPS LIMITED** (CIN: L31500UP1991PLC012944) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2016 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 PHOENIX LAMPS LIMITED for the financial year ended on 31.03.2016 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and,
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) The Company is presently engaged in the business of manufacturing and trading of electric lamps, parts and fittings thereof and having its two plants located at Noida Special Economic Zone (NSEZ) and 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 (in case of manufacturing companies, where applicable)
- 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 Benefits 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. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
xxi. Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1996
xxii. Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013
xxiii. Dangerous Machines (Regulation) Act, 1983
xxiv. Indian Boilers Act, 1923
xxv. The Industrial Establishments (National and Festival Holidays) Act, 1963
xxvi. The Labour Welfare Fund Act, 1965
xxvii. Explosive Act
xxviii. Weight & Measure Act, 1976
xxix. The U.P. dookan Aur Vanijya Adhisthan Adhiniyam,1962
xxx. For majority of Central Labour Laws the State has introduced Rules [names of each of the Rules is not included here]

(2) Environment Related Acts & Rules:

i. The Environment Protection Act, 1986
ii. The Water (Prevention & Control of Pollution) Act, 1974
iii. The Air (Prevention & Control of Pollution) Act, 1981
iv. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

(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 following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS – 2 (applicable from 1st July, 2015).

(ii) The Listing Agreements entered into, by the Company with the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherever applicable.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above as may be applicable during the year under review. Certain non material findings made during the course of the audit relating to the provisions of Companies Act, Secretarial Standards, Labour Laws were addressed suitably by the Management. Following are some of the observations which in my opinion will have material impact on the Company's compliance status:

1. *Certain disclosures are yet to be updated in the official Website of the Company.*
2. *Annual Report for the year 31.03.2015 does not disclose certain information on web links as mandated under the Act and the Listing Agreement.*

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.

I further report that during the year under report the Company's shares have been acquired by Suprajit Engineering Limited by around 61.93% of the fully paid up Equity Share Capital i.e. 1,42,89,843 Equity Shares of Rs. 10/- each at a consideration @ Rs. 89/- per share aggregating to Rs. 12,717.96 Lakhs amounting 51% from Argon India Limited, Mauritius and Argon South Asia Limited, Mauritius and an 'Open Offer' was made to minority Shareholders to acquire additional 26% for which 15,021 Shares were tendered at Rs. 100/- per share aggregating to Rs. 15.02 Lakhs and Suprajit Engineering Limited has further acquired the balance 30,47,312 Equity Shares of Rs. 10/- each at a consideration @ Rs. 89/- per Share aggregating to Rs. 2,712 Lakhs amounting to 10.88% stake and completed the transaction in line with Share Purchase Agreement signed on 6th May, 2015. Hence, the Company has become the Subsidiary of Suprajit Engineering Limited.

I further report that during the year under report there was a complete change in the management of the Company subsequent to the Company becoming the Subsidiary of Suprajit Engineering Limited. The Board of Directors and the Key Managerial Personnel have been changed during the year in compliance with the applicable provisions of the Act.

I further report that during the year under report the Company has obtained the approval of the Shareholders to the following subjects vide Postal Ballot Notice dated 21st December, 2015 and the Scrutinizer Report dated 1st February, 2016:

1. Shifting of Registered Office of the Company from the State of Uttar Pradesh to the State of Karnataka.
2. Alteration of situation clause of the Memorandum of Association of the Company.
3. Alteration of Articles of Association of the Company.

Further, the Company has filed application before the Regional Director, Northern Region Bench, New Delhi for obtaining the approval for Shifting of Registered Office of the Company from the State of Uttar Pradesh to the State of Karnataka.

(Parameshwar G. Bhat)
ACS No.: 25167
C P No.: 11004

Place : Bangalore
Date : 28.05.2016

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'

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.

(Parameshwar G. Bhat)
ACS No.: 25167
C P No.: 11004

Place : Bangalore
Date : 28.05.2016

CORPORATE GOVERNANCE REPORT AS ON 31ST MARCH, 2016

CORPORATE GOVERNANCE

I. Company's Philosophy on Corporate Governance

The Company is committed to moral accountability, social responsibility, compliance with the law and has a strong and independent Board charged with the responsibility to:-

- ensure legal and ethical conduct by everyone in the Company.
- protect the interest of the investors, customers, employees, lenders, suppliers and the community.
- advice and counsel the Managing Director with the view to make the Company stronger and more successful.
- support investments and decisions that serve the interest of the Company and the stakeholders.
- prevent conflicts of interest and ensure that the right people are making the decisions and monitor, on ongoing basis, the results of the decisions that are likely to affect the Company most.

The Company's Corporate guidelines emphasize:-

- An enquiring and independent mind, practical wisdom and mature judgment.
- Principle-centred directors, leaders and senior management.
- Structure that promotes transparency and culture that the right questions are asked without fear and that checks and balances are in place to ensure that the answers reflect what is best for the creation of long term sustainable wealth and value.
- To recognize the rights of Shareholders and encourage cooperation between Company and the Stakeholders.

Risk Management is seen by the Company as an essential element of Corporate Governance and therefore, the Board is charged with the oversight of this function.

II. BOARD OF DIRECTORS

(A) Composition of Board

The present Board consists of one Non-executive Chairman, one Chief Executive Officer and Director and three Non-Executive Directors. The Company meets the requirements, as stipulated under of SEBI (LODR) Regulations, 2015, relating to the composition of Independent and non-independent Directors including the Woman Director on the Board of the Company. The Non-Executive Directors, with their diverse knowledge, experience and expertise, bring in their valuable independent judgment to the deliberations and decisions of the Board.

(B) Independent Directors

The Board of the Company has an optimum number of Independent Directors, as required under SEBI (LODR) Regulations, 2015. All the Independent Directors are persons of integrity and possess relevant expertise and experience in the Industry and are not related to promoters, or directors in the Company, its holding, subsidiary or associate Company.

Independent Directors fulfil all the conditions for being Independent to the Company, as stipulated under SEBI (LODR) Regulations, 2015 and the Companies Act, 2013. The maximum tenure of Independent Directors is determined in accordance with the Companies Act, 2013 and clarifications/circulars issued by the Ministry of Corporate Affairs, from time to time.

The Company has issued formal letters of appointment to Independent Directors in the manner as provided in the Companies Act, 2013 and the terms and conditions of such appointment is disclosed on the website of the Company i.e. www.phoenixlamps.co.in.

The evaluation criteria for the performance of Independent Directors have been laid down by the Nomination and Remuneration Committee and the performance evaluation shall be done by the entire Board at the time of re-appointment.

As required under SEBI (LODR) Regulations, 2015 and the Companies Act, 2013, the Independent Directors held their separate meeting on 8thFebruary, 2016 for the financial year 2015-16, inter alia, to-

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

Further, in compliance with SEBI (LODR) Regulations, 2015, the Company has familiarization programmes to familiarize Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. The detail of such familiarization programme is disclosed on the website of the Company i.e. www.phoenixlamps.co.in.

(C) Non-executive Directors' compensation and disclosures

The Non-Executive Directors of the Company are paid sitting fees as fixed by the Board of Directors within the limits prescribed under the Companies Act, 2013. There is no stock option scheme provided by the Company.

The Board of Directors at its meeting held on February 8, 2016 has approved payment of remuneration by way of fees, amounting to Rs. 3,00,000/- (Rupees Three Lakhs only) for the financial year 2015-2016, to Mr. Suresh Shetty, Ms. Sunita Mathur, Non- Executive Independent Directors of the Company, for their guidance and expert advice on diverse issues affecting the Company.

This amount of Rs.3 Lakhs consists of a sum not exceeding one percent per annum of net profits of the Company or Rs. 3 Lakhs, whichever is lower, which can be calculated in accordance with the provisions of Section 198 of the Companies Act, 2013 be paid to the non-executive Directors and in such manner as may be decided by the Board of Directors and such payments shall be made in respect of the profits of the Company, for each financial year, for a period of three financial years commencing from 2015-16. The same will be in compliance with section 197 of the Companies Act, 2013.

Mr. Ian Williamson has waived off his entitlements of Sitting fees and Commission.

(D) Other provisions as to Board and Committees

During the financial year 2015-16, seven meetings of the Board of Directors were held on 14th May, 2015; 22nd May, 2015, 18th June, 2015 at 04:00 p.m.; 18th June, 2015 at 05:30 p.m.; 9th August, 2015; 7th November, 2015; and 8th February, 2016.

The Board was provided with the adequate information as given in Annexure-X to the SEBI (LODR) Listing Regulations, 2015. The Board of the Company also reviews the compliance reports of all laws applicable to the Company as well as steps taken by the Company to rectify instances of non-compliances, if any.

The details about the Directors attendance in the Board Meetings and last Annual General Meeting, during Financial Year 2015-16 are given below:-

Name of Directors and DIN	Category	Board Meetings Attended	Attendance at the last AGM held on 31.08.2015	No. of Directorship in the Companies other than Phoenix Lamps Limited	No. of Committees & Positions held	
					Member	Chairman
*Mr. Padmanabh P. Vora-00003192	Independent & Non-Executive Director	3	No	NA	NA	NA
*Mr. Pranay D. Gandhi-02805099	Managing Director	4	No	NA	NA	NA
*Mr. Gurdeep Singh-00036922	Independent & Non-Executive Director	3	No	NA	NA	NA
*Mr. Ganapati Rathinam-00171207	Non-Executive Director	3	No	NA	NA	NA
*Mr. Shomik P. Mukherjee–02185373	Non-Executive Director	1	No	NA	NA	NA
Ms. Sunita Mathur-00008923	Independent & Non-Executive Director	6	Yes	2	2	2
Mr. K. Ajith Kumar Rai – 01160327	Non-Executive Director	5	Yes	4	3	2
Mr. Suresh Shetty – 00316830	Independent & Non-Executive Director	4	Yes	6	2	-
Mr. Ian Williamson – 01805348	Independent & Non-Executive Director	3	Yes	2	2	-
Mr. N. S. Mohan – 01916468	Chief Executive Officer and Director	5	Yes	1	-	-

*Directors ceased on Board with effect from 18.06.2015

Notes:-

1. Directorship in Private Companies has also been considered in reckoning the number of directorships in companies other than Phoenix Lamps Limited. Further, none of the Directors of the Company is a Director in more than 10 Public Limited Companies or acts as an Independent Director in more than 7 Listed Companies.
2. For the purpose of considering the limit of the committees on which a director can serve, all public limited companies, whether listed or not, has been considered and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 has not been considered.
3. For the purpose of Membership & Chairmanship in a Committee, only Audit Committee and Stakeholders' Relationship Committee of Public Limited Companies have been considered.
4. Mr. K. Ajith Kumar Rai is the Chairman of the Board of Directors of the Company.
5. No Director is holding any shares in the Company.

(E) Code of Conduct

(i) The Board of Directors has laid down Code of Conduct for all Board members and senior management of the Company which also includes the duties of Independent Directors as laid down in the Companies Act, 2013. The copy of code of conduct is uploaded on the website of the Company i.e. www.phoenixlamps.co.in.

(ii) The Members of the Board and the Senior Management personnel including Key Managerial Personnel have affirmed the compliance with the code applicable to them during the year ended March 31, 2016. The Annual Report of the Company contains a certificate duly signed by the Chief Executive Officer in this regard.

(F) Whistle Blower Policy

The Board of Directors has laid down Whistle Blower Policy for Directors and employees of the Company, to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. Further, the Company affirms that no personnel have been denied access to Audit Committee on any issue related thereto. The copy of Whistle Blower policy has been uploaded on the website of the Company i.e. www.phoenixlamps.co.in.

III. AUDIT COMMITTEE

(A) Qualified and Independent Audit Committee

(i) As on 31.03.2016, the Audit Committee consists of three Non-Executive Directors as members.

(ii) Mr. Suresh Shetty, the Chairman of the Audit Committee is an Independent Director.

(iii) All Members of the Committee are financially literate. Mr. Suresh Shetty is a Commerce Graduate and qualified Chartered Accountant and underwent Management Education Programme (M.E.P.) in IIM, Ahmedabad.

(iv The Chairman of the Audit Committee, Mr. Suresh Shetty, was present at the last Annual General Meeting of the Company held on 31st day of August, 2015.

(v) The Chief Financial Officer, Internal Auditors, representatives of the Statutory Auditor, such other officials of the Company were invited to attend the Audit Committee meetings as and when required during the reporting period.

(vi) The Company Secretary of the Company acts as the Secretary to the Committee.

(vii) The terms of reference of the Audit Committee are in line with the requirements of SEBI (LODR) Regulations, 2015 and Section 177 of the Companies Act, 2013 including rules made there under.

Pursuant to SEBI (LODR) Regulations, 2015, the role of Audit Committee and review of information by Audit Committee are briefly described below:

A. The role of the Audit Committee shall include the following:

(1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;

(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 to be 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) modified opinion(s) in the draft audit report;

(5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
(6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
(7) reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
(8) approval or any subsequent modification of transactions of the listed entity with related parties;
(9) scrutiny of inter-corporate loans and investments;
(10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
(11) evaluation of internal financial controls and risk management systems;
(12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
(13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
(14) discussion with internal auditors of any significant findings and follow up there on;
(15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
(16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
(17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
(18) to review the functioning of the whistle blower mechanism;
(19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
(20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

B. The Audit Committee shall mandatorily review the following information:

(1) management discussion and analysis of financial condition and results of operations;
(2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
(3) management letters / letters of internal control weaknesses issued by the statutory auditors;
(4) internal audit reports relating to internal control weaknesses; and
(5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
(6) statement of deviations:
(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

(C) Meeting and Composition of Audit Committee

During the financial year 2015-16, Four Audit Committee meetings were held on 22nd May, 2015; 9th August, 2015, 7th November 2015 and 8th February, 2016.

Details of number of meetings attended by the Members are given below:

Name of Members	Composition of the Audit Committee	Number of meetings attended
Mr. Padmanabh P. Vora	Independent & Non-Executive Director	1
Mr. Gurdeep Singh	Independent & Non-Executive Director	1
Mr. Shomik P. Mukherjee	Non Independent & Non-Executive	-
Mr. Suresh Shetty	Independent & Non-Executive Director	3
Mr. Ian Williamson	Independent & Non-Executive Director	3
Mr. K. Ajith Kumar Rai	Non Independent & Non-Executive Director	3

IV. NOMINATION AND REMUNERATION COMMITTEE

The Company complies with the provisions relating to the Nomination and Remuneration Committee in terms of Regulation 19 of SEBI (LODR) Regulations, 2015 as well as in terms of the provisions of Section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee acts in accordance with the terms as stipulated under Regulation 19(4) and 20(4) including Part D of the Schedule II of SEBI (LODR) Regulations, 2015 read with the provisions of the Companies Act, 2013, as may be applicable.

The Role of Nomination and Remuneration Committee shall, inter-alia, include the following:

(1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

(2) formulation of criteria for evaluation of performance of independent directors and the board of directors;

(3) devising a policy on diversity of board of directors;

(4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

(5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Its functioning is as under:-

(i) As at 31.03.2016, the Nomination and Remuneration Committee consists of three Non-Executive Directors as members.

(ii) Mr. Ian Williamson is the Chairman of the Nomination and Remuneration Committee is an Independent Director.

(iii) The Company Secretary of the Company acts as the Secretary to the Committee.

(iv) During the financial year 2015-16, four Nomination and Remuneration Committee Meetings were held on 22nd May, 2015, 18th June, 2015 and 7th November, 2015 and 8th February, 2016.

Details of number of meetings attended by the Members are given below:

Name of Members	Composition of the Committee	Number of meetings attended
Mr. Gurdeep Singh	Independent	2
Mr. Padmanabh P. Vora	Independent	2
Mr. Shomik P. Mukherjee	Non-Executive	1
Mr. Suresh Shetty	Independent	2
Mr. Ian Williamson	Independent	2
Mr. K. Ajith Kumar Rai	Non-Executive	2

The Board of the Company has also adopted the Nomination and Remuneration Policy for the Company in compliance with Regulation 19 of SEBI (LODR) Regulations, 2015 and the applicable provisions of the Companies Act, 2013.

Nomination and Remuneration Policy

The said policy of the Company is attached as **Annexure-3** to the Board's Report.

(V) SUBSIDIARY COMPANIES

1. As on 31st March 2016, the Company has two foreign unlisted, wholly owned subsidiary viz. Trifa Lamps Germany GmbH, Germany and Luxlite Lamps Sarl S A at Luxembourg.

2. The Audit Committee reviews the financial statements, in particular, the investments made by the subsidiary Company. The Management brings to the attention of Board of Directors, a statement of all significant transactions and arrangements entered into by subsidiary companies.
3. The Company has formulated a policy for determining ‘material’ subsidiaries and such Policy is disclosed on the website of the Company i.e. www.phoenixlamps.co.in.

(VI) RISK MANAGEMENT

The Company is not mandatorily required to constitute Risk Management Committee. Further, the Audit Committee and the Board of Directors review the risks involved in the Company and appropriate measures to minimize the same from time to time. The Board of the Company has also adopted a Risk management policy for the Company.

(VII)RELATED PARTY TRANSACTIONS

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with such Related Party Transactions.

The transactions during the financial year 2015-16, with the related parties has been done in accordance with the provisions as laid down under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The necessary approvals from the Audit Committee were obtained, wherever required.

(VIII)DISCLOSURES

A. Related Party Transactions

There are no materially significant transactions with the related parties viz. Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Company’s interest. Suitable disclosure as required by the Accounting Standard (AS-18) has been made in the Annual Report.

The Company has disclosed the policy on dealing with Related Party Transactions on its website i.e. www.phoenixlamps.co.in.

B. Disclosure of Accounting Treatment

The Financial statement of the Company is prepared as per the prescribed Accounting Standards and reflects true and fair view of the business transactions in the Corporate Governance.

C. Remuneration of Directors

Executive Directors

(a) The remuneration of Executive Director/Managing Director is decided by the Nomination and Remuneration Committee based on the qualification, experience, industry benchmarks, the Company’s performance vis-a-vis the industry, performance track record of the executive director/ appointee(s). The Company pays remuneration by way of salary, perquisites, commission and allowances.

(b) Remuneration paid to the Managing Director of the Company for the financial year 2015-16 is as under:-

(Amount in Rs.)

Name	Salary and other Allowances	Perquisites	Contribution to Provident Fund	Service Tenure	Contract Notice Period	No. of Shares of the Company	Performance Bonus & others
Mr. Pranay D. Gandhi*	4,572,765	11,514	NIL	18.11.2017	3 Months	NIL	248,300
Mr. N. S. Mohan	Nil						

* Mr. N.S. Mohan, Chief Executive Officer is being paid by its Holding Company (Suprajit Engineering Limited).

* There is no stock option scheme in the Company.

*There is no severance clause/ fees attached to remuneration of any Director.

*Mr. Pranay D. Gandhi resigned as Managing Director of the Company with effect from 18th June, 2015.

*Mr. N. S. Mohan Srinivasan Nagamangala was appointed as Director and Chief Executive Officer of the Company with effect from 18th June, 2015.

Non-Executive Directors

(a) The Non-Executive Directors are being paid sitting fees for attending the Board/Committee Meetings in compliance with the relevant applicable provisions of the Companies Act, 2013.

(b) Payment of sitting fees and Remuneration to Non-Executive Directors for the financial year ended 31st March, 2016:-

S. No.	Name	Sitting Fees (Rs.)	Remuneration Paid (Rs.)	Total (Rs.)
1.	Mr. Padmanabh P. Vora	2,00,000	Nil	**2,00,000**
2.	Mr. Gurdeep Singh	2,00,000	Nil	**2,00,000**
3.	Mr.Shomik Mukherjee	40,000	Nil	**40,000**
4.	Mr. Ganapati Rathinam	80,000	Nil	**80,000**
5.	Ms. Sunita Mathur	1,60,000	3,00,000	**4,60,000**
6.	Mr. Suresh Shetty	1,00,000	3,00,000	**4,00,000**
7.	Mr. Ian Williamson	Nil	Nil	**Nil**
8.	Mr. K. Ajith Kumar Rai	Nil	Nil	**Nil**

(c) The Non-Executive Directors have disclosed that they do not hold any shares in the Company.

(d) There has been no pecuniary relationship or transactions of the non-executive directors' vis-a-vis the Company during the year except the sitting fees and Remuneration paid to them as detailed above.

D. Management

The Management Discussion and Analysis Report have been included separately as a part of the Board's Report.

E. Shareholders

(i) The results i.e. quarterly/half yearly/for Nine Months and Annual and presentations thereon, if any, are disclosed on the Company's website i.e. www.phoenixlamps.co.in.

(ii) Stakeholders' Relationship Committee of the Company, is constituted under the Chairmanship of a non-executive Director to consider and look into the matter of Share Transfer, Shareholders' /Investors' Grievances and to suggest the remedial and improvement measures and to redress the same.

As at 31st March, 2016, the composition of Stakeholders' Relationship Committee is as under:-

Name of Members	Composition of Stakeholders' Relationship Committee
Ms. Sunita Mathur	Non-executive
Mr. Suresh Shetty	Non-executive
Mr. K. Ajith Kumar Rai	Non-Executive

During the financial year 2015-2016, four Stakeholder's Relationship Committee Meetings were held on 09th August, 2015, 07th November, 2015, 8th February, 2016 and 28th May, 2016.

Details of number of meetings attended by the Members are given below:

Name of Members	Composition of the Committee	Meetings Attended
Ms. Sunita Mathur	Non-Executive	3
Mr. Suresh Shetty	Non-Executive	4
Mr. K. Ajith Kumar Rai	Non-Executive	4

Ms. Sunita Mathur is the Chairperson of the Committee. Company Secretary of the Company acts as the Secretary to the Committee.

Name and Designation of Compliance officer

Ms. Shrabanti Mandol, Company Secretary is the Compliance Officer of the Company and she can be contacted at:
Phoenix Lamps Limited, 59-A, Noida Special Economic Zone,
Phase-II, Noida, District Gautam Budh Nagar, Uttar Pradesh-201305.
Phone: 91-11-0120-4012222,
Fax: 91-11-0120-2562943
Email: investor.relations@phoenixlamps.co.in

Details of the Investors complaints/queries/requests received, redressed/pending during the financial year 2015-2016

The details of total number of complaints/queries/requests received; resolved/pending during the financial year 2015-2016 is as follows:

Opening	Received during the year	Resolvedduring the year	Closing
NIL	7	7	NIL

F. General Body Meetings

(i) Location and time of Annual General Meetings held in the last 3 years:-

S. No.	Year	Type	Date	Time	Venue
1	2013	AGM	23.07.2013	11.00 A.M.	59-A, NSEZ, Phase-II Noida, Distt. Gautam Budh Nagar, U.P. – 201305.
2	2014	AGM	21.07.2014	11.00 A.M.	59-A, NSEZ, Phase-II Noida, Distt. Gautam Budh Nagar, U.P. – 201305.
3	2015	AGM	31.08.2015	10.00 A.M.	59-A, NSEZ, Phase-II Noida, Distt. Gautam Budh Nagar, U.P. – 201305.

(ii) Whether any Special Resolutions passed in the previous 3 AGMs: **Yes**

(iii) Whether any Special Resolution passed last year through postal ballot – details of voting Pattern: **Yes**

(iv) Person who conducted the postal ballot exercise: **Mr. Vijayakrishna K T,** #496/4, II Floor, 10th Cross, Near Bashyam Circle, Sadashivanagar, Bangalore – 560080.

(v) Whether any Special Resolution is proposed to be conducted through postal ballot: **No**

(vi) Procedure for postal ballot: Resolutions, if required, will be passed by Postal Ballot, as per the prescribed procedure under Companies Act, 2013 & Listing Agreement.

G. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

There has been no incidence of non-compliance by the Company during the year and there have been no penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets, during the last three years.

CEO / CFO Certification

The Chief Executive Officer have issued certificate pursuant to the provisions under Regulation 17 and Part B of Schedule II of SEBI (LODR) Regulations, 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

H. Means of Communication

Quarterly report sent to each Household of shareholders	The quarterly results of the Company are announced within 45 days of completion of each quarter. The said information is also sent to the concerned Stock Exchanges immediately after approved in board meeting via e-mail, fax and courier.
Newspaper wherein results normally published	All quarterly results are generally published in "Financial Express" (English Language) All Editions; and in "Jansatta", New Delhi (Hindi Language)
Any website, where displayed	The results are displayed on the Company's website at www.phoenixlamps.co.in
Whether it also displays official News releases	No
Whether the website displays the Presentation made to the institutional investors and to the analysis	Yes, wherever applicable.

I. General Shareholder Information

Market Price Information

The reported high and low prices during the financial year ended March 31st, 2016 on the National Stock Exchange of India Limited and the BSE Limited, where your Company's shares are frequently traded, are given below:-

Month	National Stock Exchange		Bombay Stock Exchange	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr, 15	108.90	91.15	109.00	91.70
May, 15	123.80	98.55	124.00	100.00
Jun, 15	113.80	101.15	113.50	101.80
Jul, 15	135.00	103.15	134.90	103.40
Aug, 15	139.85	94.90	139.10	95.00
Sep, 15	111.65	98.00	111.00	98.00
Oct, 15	119.40	105.10	118.70	106.00
Nov, 15	114.90	98.00	112.70	96.90
Dec, 15	104.45	93.20	104.90	92.30
Jan, 16	117.00	90.30	117.10	91.00
Feb, 16	104.60	88.05	104.05	88.10
Mar, 16	97.95	89.05	101.95	90.45

Performance in comparison to BSE Sensex

Month	BSE Sensex		Bombay Stock Exchange	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
Apr, 14	29094.61	26897.54	109.00	91.70
May, 14	28071.16	26423.99	124.00	100.00
Jun, 14	27968.75	26307.07	113.50	101.80
Jul, 14	28578.33	27416.39	134.90	103.40
Aug, 14	28417.59	25298.42	139.10	95.00
Sep, 14	26471.82	24833.54	111.00	98.00
Oct, 14	27618.14	26168.71	118.70	106.00
Nov, 14	26824.3	25451.42	112.70	96.90
Dec, 14	26256.42	24867.73	104.90	92.30
Jan, 15	26197.27	23839.76	117.10	91.00
Feb, 15	25002.32	22494.61	104.05	88.10
Mar, 15	25479.62	23133.18	101.95	90.45

25th Annual General Meeting of the Company will be held on or before September 30, 2016.

Date, Time & Venue	:	As per the notice of 25th Annual General Meeting.	
Financial Year	:	1st April to 31st March of the succeeding year.	
Date of Book Closure	:	As per the notice of 25th Annual General Meeting.	
Dividend payment date	:	N.A.	
Listing on Stock Exchanges		(i) BSE Limited, 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001 (ii) National Stock Exchange of India Limited, "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai-400051	
Stock Code :		**BSE-517296**	**NSE - PHOENIXLL**
ISIN number for NSDL & CDSL		ISIN INE455B01016	

J. Share Transfer System

Shares lodged for transfer at the Registrar's address are processed within a period of 15 days of the date of receipt of documents provided that the documents being valid and complete in all respects. All requests for dematerialization of shares are processed and the confirmation is given to the Depositories within 15 days. Grievances and other miscellaneous correspondence on change of address, mandates etc. received from Members are processed by the Registrar and Company within 15 days.

INVESTORS CORRESPONDENCE

In case of any delay in attending from the date of receipt of request for transfer of shares, non-receipt of Dividend Warrant, non-receipt of Annual Report or any other related matter, the request can be forwarded at:

(i) The Secretarial Department

Phoenix Lamps Limited
59-A, NSEZ, Phase-II Noida, District Gautam Budh Nagar,
Uttar Pradesh - 201 305.
Ph.: 0120-4012222,
Fax: 0120-2562943,
email: investor.relations@phoenixlamps.co.in

(ii) Registrars and Share Transfer Agent:

Alankit Assignments Limited,
Alankit Heights
1E/13, Jhandewalan Extension, New Delhi-110 055.
Phone: 011-42541234, 23541234
Fax: 011-41543474.

(b) Shareholding Pattern as on 31st March, 2016:

Category	No. of shares held	Percentage
Promoters	1,73,52,176	**61.93**
Institutional Investors		
Mutual Funds/ UTI	7,816	**0.03**
Financial Institutions, Banks & Insurance Companies	15,764	**0.06**
Foreign Institutional Investors	4,75,932	1.70
Others		
Bodies Corporate	13,67,902	4.88
Individuals	82,14,465	29.32
Non Resident Indian/OCBs	5,40,245	1.93
Trusts	45,000	0.16
TOTAL	**2,80,19,300**	**100.00**

Dematerialization of Shares and liquidity

94.56% of the shareholding of the Company is in dematerialized form as on 31.03.2016 and there is sufficient liquidity in the stock.

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity.

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

Plant Locations :
1. 59-A, Noida Special Economic Zone, Phase-II, Noida, Distt. Gautam Budh Nagar, U.P. – 201305;
2. 59-D, Noida Special Economic Zone, Phase-II, Noida, Distt. Gautam Budh Nagar, U.P. - 201 305;
3. A-1, Phase-II, Noida, Distt. Gautam Budh Nagar, U.P. - 201305.

Address for correspondence :
59-A, Noida Special Economic Zone, Phase-II, Noida,
Distt. Gautam Budh Nagar, U.P. - 201305.
Phone : 91-11-0120-4012222, Fax : 91-11-0120-2562943
email : phoenix@phoenixlamps.co.in

TRANSFER OF UNPAID/UNCLAIMED DIVIDEND FOR THE YEAR 2008-2009 TO INVESTORS EDUCATION AND PROTECTION FUND (IEPF) OF CENTRAL GOVERNMENT

The Company had declared its 6th Dividend to its Equity Shareholders on 8thSeptember, 2009 for the financial year 2008-2009 at the rate of 4% i.e. Re. 0.40 for every equity share held.

Upon completion of 7 years of declaration of dividend, the balance unclaimed dividend shall be transferred to Investor Education Protection Fund (IEPF) account of the Central Government after 7th September, 2016 pursuant to the provisions of Section 125 of the Companies Act, 2013.

Shareholders whose Dividend remain unclaimed are required to request to the Company's Secretarial Department at the Registered Office by sending letter in original duly signed by the registered shareholder. Upon verification unpaid/unclaimed dividend would be sent to the registered shareholders. Dividend unclaimed on and after 7th September, 2016 shall be transferred to Investor Education Protection Fund account of the Central Government.

DECLARATION BY THE MANAGING DIRECTOR/ CEO

This is to certify that the Company has laid down Code of Conduct for all Board Members and Senior Management of the Company and a copy of the same has been disclosed on the website of the Company i.e. www.phoenixlamps.co.in. and further certified that the Members of the Board of Directors and Senior Management personnel have affirmed compliance with the code applicable to them during the financial year ended March 31st, 2016.

N S Mohan
Chief Executive Officer
DIN-01916468

Place : Noida
Date : May 28, 2016

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT AND THE SEBI (LODR) REGULATIONS, 2015.

To
The Members
Phoenix Lamps Limited
Bangalore

I have examined all the relevant records of Phoenix Lamps Limited ('the Company') for the purpose of certifying the compliances of the conditions of Corporate Governance by the Company for the year ended 31st March, 2016 as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges for the period April 1, 2015 to November 30, 2015 and in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations') for the period December 1, 2015 to March 31, 2016.

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 Agreement / 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.

Place : Bangalore
Date : May 28, 2016

Vijayakrishna K T
Practising Company Secretary
FCS-1788 & CP-980

INDEPENDENT AUDITOR'S REPORT

To the Members of Phoenix Lamps Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **Phoenix Lamps Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of signiticant accounting policies and other explanatory information.

Management' s Responibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accouting 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 financial statements based on 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 thereunder.

We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the 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 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 financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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 of the state of affairs of the Company as at March 31, 2016, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143 (3) of the Act, we report that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

    (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

    (e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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 2" to this report;

    (g) With respect to the other matters to be included in the

Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its fmancial statements-Refer Note 29(b) to the financial statements;

ii. The Company did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.

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

For **S.R. Batliboi & Co. LLP**

Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Sd/-
Per **Anil Gupta**
Partner
Membership Number: 87921

Place : New Delhi
Date : 28th May 2016

Annexure 1 referred to in paragraph 'Report on Other Legal and Regulatory Requirements' of our report of even date

Re: Phoenix Lamps Limited ('the Company')

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets were physically verified by the management in the previous year in accordance with a planned programme of verifying them once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nattrre of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the Company.

(ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.

(iii) (a) The Company has granted loans to one other party covered in the register maintained under Section 189 of the Companies Act, 2013. In our opinion and according to the information and explanations given to us, the terms and conditions of the grants and loans not prejudicial to the Company's interest.

(b) In respect of loans granted to other party covered in the register maintained under Section 189 of the Companies Act, 2013, repayment of the principal amount is as stipulated and payment of interest has been regular.

(c) There is no overdue amount of loans granted to the party listed in the register maintained under Section 189 of the Companies Act, 2013 which are outstanding for more than ninety days.

(iv) In our opinion and according to the information and explanations given to us, the Company has not advanced loans to directors including entities in which they are interested to which provisions of Section 185 of the Companies Act, 2013 apply and hence not commented upon . In our opinion and according to the information and explanations given to us, provisions of Section 186 of the Companies Act, 2013 in respect of loans and advances given, investments made, guarantees and securities given have been complied with by the Company.

(v) The Company has not accepted any deposits from the public.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to the manufacture of auto components, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, customs duty, excise duty, value added tax, cess and other statutory dues were outstanding at the year end, for a period of more than six months from the date they became payable.

(c) According to the records of the Company, the dues outstanding of income-tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. in lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax demand	3,671.39	AY 2010-11	CIT (Appeals), Noida
Income Tax Act, 1961	TDS demand	29.66	AY 2011-12 to AY 2014-15	CIT (Appeals),Dehradun
Central Sales Tax Act, 1956	Pending C Forms	2.33	FY 2006-07 & 2008-09	Deputy Commissioner of Assessment, Uttrakhand
Delhi Sales Tax Act, 1975	Sales tax demand	0.82	FY 1994-95	D.C.-Appeal IV,Delhi
Finance Act, 1994	Penalty against Service tax demand	0.38	FY 2008-09 to 2012-13	Superintendent, Service Tax Range-XVII, Division-IV, Noida
Finance Act, 1994	Penalty against Service tax demand	10.27	AY 2009-10 & 2010-11	CESTAT, New Delhi

(The above does not include demands outstanding in relation to General Lighting business which was sold by the Company on August 30, 2013 and any statutory liabilities relating to such business will be borne by buyer, in accordance with the Business Transfer Agreement signed by the Company and the buyer.)

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to any bank. The Company did not have any outstanding debentures and loan from financial institution or government during the year.

(ix) In our opinion and according to the information and explanations given by the management, the Company has utilized the monies raised by way of term loans for the purposes for which those were raised. The Company has not raised any money by way of initial public offer / further public offer (including debt instruments) during the year.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them as referred to in Section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of Section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Sd/-
Per **Anil Gupta**
Partner
Membership Number: 87921

Place : New Delhi
Date : 28th May 2016

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PHOENIX LAMPS LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Phoenix Lamps Limited

We have audited the internal financial controls over financial reporting of Phoenix Lamps Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management' s Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditor's 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 as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Sd/-
Per **Anil Gupta**
Partner
Membership Number: 87921

Place : New Delhi
Date : 28th May 2016

BALANCE SHEET AS AT MARCH 31, 2016

(Rs. in Lacs)

PARTICULARS	NOTES	March 31, 2016	March 31, 2015
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	**2,801.93**	2,801.93
Reserves and Surplus	4	**14,963.56**	14,822.20
		17,765.49	17,624.13
Non-Current Liabilities			
Long Term Borrowings	5	**661.77**	-
Long-Term Provisions	6	**431.40**	442.75
		1,093.17	442.75
Current Liabilities			
Short Term Borrowings	7	**3,348.33**	3,526.17
Trade Payables	8		
- Total outstanding dues of micro enterprises and small enterprises		**367.89**	153.81
- Total outstanding dues of creditors other than micro enterprises and small enterprises		**1,514.07**	2,950.34
Other Current Liabilities	8	**839.34**	611.92
Short-Term Provisions	6	**280.70**	244.67
		6,350.33	7,486.91
	Total	**25,208.99**	25,553.79
Assets			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	**2,635.23**	2,705.08
Intangible Assets	10	**22.87**	34.33
Capital Work-in-Progress		**96.50**	38.35
Deferred Tax Assets (net)	11	**204.67**	190.05
Non- Current Investments	12	**9,047.64**	7,926.68
Long-Term Loans and Advances	13	**1,517.56**	963.44
Other Non-Current Assets	14	**3.95**	3.64
		13,528.42	11,861.57
Current Assets			
Inventories	15	**4,218.67**	4,277.48
Trade Receivables	16	**4,831.65**	6,669.53
Cash and Bank Balances	17	**151.11**	220.91
Short-Term Loans and Advances	13	**2,440.99**	2,518.20
Other Current Assets	14	**38.15**	6.10
		11,680.57	13,692.22
	Total	**25,208.99**	25,553.79
Summary of Significant Accounting Policies	2		

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

As per our report of even date
For S.R. Batliboi & Co. LLP

For and on behalf of the board of
Directors of Phoenix Lamps Limited

Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Sd/-
Mohan Srinivasan Nagamangala
CEO & Director

Sd/-
K. Ajith Kumar Rai
Chairman

Sd/-
per Anil Gupta
Partner
Membership No. 87921

Sd/-
Shrabanti Mandol
Company Secretary

Place : New Delhi
Date : 28.05.2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in Lacs)

PARTICULARS	NOTES	Year Ended March 31, 2016	Year Ended March 31, 2015
Income			
Revenue from Operations (gross)	18	**23,802.90**	26,137.21
Less: Excise Duty		**(1,959.05)**	(1,726.90)
Revenue from Operations (net)		**21,843.85**	24,410.31
Other income	19	**693.88**	191.13
Total Revenue		**22,537.73**	24,601.44
Expenses			
Cost of materials consumed	20	**12,079.39**	13,145.77
Purchase of traded goods	21	**107.06**	72.69
(Increase)/ decrease in inventories	21	**(117.76)**	236.20
Employee benefits expense	22	**3,219.21**	3,405.74
Finance costs	23	**339.51**	420.18
Depreciation and amortization expense	24	**586.83**	628.79
Other expenses	25	**3,050.82**	3,057.71
Total expenses		**19,265.06**	20,967.08
Profit before exceptional item and tax		**3,272.67**	3,634.36
Exceptional item	26	**1,995.36**	-
Profit before tax		**1,277.31**	3,634.36
Tax expense:			
Current tax		**(1,181.04)**	(978.63)
MAT Credit entitlement (including Nil for earlier years (March 31, 2015 : Rs.14.42 lacs))		**-**	14.42
Deferred tax credit		**14.63**	77.62
Tax adjustment for earlier years		**30.46**	-
Total tax (expense)		**(1,135.95)**	(886.59)
Profit for the year		**141.36**	2,747.77
Earnings Per Equity Share [nominal value of share Rs.10, (March 31, 2015: Rs.10)]			
Basic and diluted (Rs.)	27	**0.50**	9.81
Summary of Significant Accounting Policies	2		

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

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Sd/-
per Anil Gupta
Partner
Membership No. 87921

Place : New Delhi
Date : 28.05.2016

For and on behalf of the board of
Directors of Phoenix Lamps Limited

Sd/-
Mohan Srinivasan Nagamangala
CEO & Director

Sd/-
K. Ajith Kumar Rai
Chairman

Sd/-
Shrabanti Mandol
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in Lacs)

PARTICULARS	March 31, 2016	March 31, 2015
Cash Flows from Operating Activities		
Net profit before tax	**1,277.31**	3,634.36
Adjustments to reconcile profit before tax to net cash flows		
Depreciation and amortisation expense	**586.83**	628.79
Interest expense	**279.66**	370.49
Interest (income)	**(49.85)**	(40.14)
Loss/ (gain) on disposal of fixed assets (net)	**8.20**	(13.61)
Exceptional item	**1,995.36**	-
Provision for doubtful debts (net)	**0.93**	1.54
Reversal of provision for obsolete inventories	**(43.30)**	(129.23)
Operating Profit before Working Capital changes	**4,055.14**	4,452.20
Movement in Working Capital:		
Decrease in Trade receivables	**1,836.95**	315.46
Decrease in Inventories	**102.12**	709.19
Decrease/ (Increase) in Long term Loans and advances	**73.84**	(15.45)
Decrease in Short term Loans and advances	**92.69**	24.69
Decrease/ (Increase) in Other assets	**(3.86)**	95.27
(Decrease) in Trade payables	**(1,222.18)**	(368.37)
Increase/ (Decrease) in Other current liabilities	**88.85**	(166.57)
Increase in Short term provisions	**16.21**	0.04
(Decrease)/ Increase in Long term provisions	**(11.34)**	31.52
Cash generated from Operations	**5,028.42**	5,077.98
Income taxes paid	**(678.12)**	(803.30)
Net Cash flow from Operating Activities (A)	**4,350.30**	4,274.68
Cash Flows from Investing Activities		
Purchase of fixed assets, intangible assets, CWIP and capital advances	**(1,625.33)**	(437.15)
Proceeds from disposal of fixed assets	**3.29**	30.44
Purchase of non-current investments	**(3,116.32)**	-
Investments in bank deposits (having original maturity of more than three months)	**(8.68)**	(18.97)
Redemption/maturity of bank deposits (having original maturity of more than three months)	**7.63**	116.19
Interest received	**21.66**	35.23
Net Cash flow (used in) Investing Activities (B)	**(4,717.75)**	(274.26)
Cash Flows from Financing Activities		
Proceeds from long term borrowings	**750.00**	-
Repayment of long term borrowings	**-**	(1,050.00)
(Repayment) of/ proceeds from short term borrowings (net)	**(778.60)**	676.54
Availment of Packing credit foreign currency loan	**600.76**	-

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016 Contd.) (Rs. in Lacs)

PARTICULARS	March 31, 2016	March 31, 2015
Redemption of preference share capital	**-**	(1,316.00)
Interest paid	**(246.75)**	(385.98)
Dividend paid (including Dividend distribution tax)	**(28.50)**	(3,563.84)
Net cash flow from/ (used in) Financing Activities (C)	**296.91**	(5,639.28)
Net (decrease) in cash and cash equivalents (A+B+C)	**(70.54)**	(1,638.86)
Cash and cash equivalents at the beginning of the Year	**211.10**	1,849.96
Cash and cash equivalents at the end of the Year	**140.56**	211.10
Components of cash and cash equivalents:		
Cash on hand	**3.32**	4.49
Balances with banks:		
- In current accounts	**17.72**	57.66
- In cash credit account	**-**	1.00
- Unpaid dividend Accounts *	**118.39**	146.89
- Deposits with original maturity of less than three months	**1.13**	1.06
Total cash and cash equivalents (refer note 17)	**140.56**	211.10
* These Balances are not availabe for the use by the Company.		

Note: Cash Flow from operating activities for the year ended on March 31, 2016 is after considering Corporate Social Responsibility Expenditure of Rs.73.70 lacs (March 31, 2015 : Rs. 47.07 lacs).

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Sd/-
per Anil Gupta
Partner
Membership No. 87921

Place : New Delhi
Date : 28.05.2016

For and on behalf of the board of
Directors of Phoenix Lamps Limited

Sd/-
Mohan Srinivasan Nagamangala
CEO & Director

Sd/-
K. Ajith Kumar Rai
Chairman

Sd/-
Shrabanti Mandol
Company Secretary

Notes to financial statements for the year ended March 31, 2016

1 Nature of Operation:

Phoenix Lamps Limited (hereinafter referred to as “the Company”) is a public company domiciled in India. The Company is engaged in the manufactuing of Auto Lamps and caters to both domestic and international markets.

2 Statement of Significant Accounting Policies:

a) Basis of Preparation:

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention; except in case of assets for which provision for diminution is made.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

b) Use of Estimates:

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year and results for operations during the reporting year. Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

c) Tangible Fixed Assets:

Tangible Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

d) Depreciation on tangible fixed assets:

i) Leasehold land is amortized on straight line basis over the period of lease ranging from 78 to 99 years.

ii) Fixed assets costing Rs. 5,000 or less are depreciated in the year of purchase.

iii) The Company has reassessed the remaining useful life of certain plant and machinery having gross block of Rs.205.38 lacs and accordingly provided additional depreciation on these assets to depreciate them fully during the year (Refer note 42).

iv) Depreciation on all other tangible fixed assets is provided on a straight line basis using the rates arived at, based on the useful lives estimated by the management which are equal to the corresponding rates prescribed in Schedule II to the Companies Act, 2013.

e) Intangible assets:

Softwares acquired separately are measured on initial recognition at cost. Following initial recognition, softwares are carried at cost less accumulated amortization and accumulated impairment losses, if any. Cost of softwares are amortized on a straight line basis over the estimated useful economic life not exceeding five years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

f) Impairment of Tangible and Intangible Fixed Assets:

The Company assesses at each reporting date whether there is any indication of impairment of the carrying amount of the Company’s fixed assets. If any indication exists or when annual impairement testing is required, an asset’s recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the asset in prior years.

g) Retirement and other employee benefits:

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit (PUC) method at the end of each year. The Company has formed a Gratuity Fund, maintained by the Life Insurance Corporation of India (LIC). The difference between actuarial valuation of gratuity of employees and fund balance with LIC at year end is provided in books. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

h) Foreign Currency Translation:

Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction, and non monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Difference:

Exchange differences arising on the settlement of monetary items or on restatement of reporting Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability:

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

i) Inventory Valuation:

Inventories are valued as follows:

Raw materials, stores and spares, consumables, packing materials and fuels :

Notes to financial statements for the year ended March 31, 2016

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products, in which they will be incorporated, are expected to be sold at or above cost. Cost is determined on transaction moving weighted average basis.

Work in Progress and Finished Goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty wherever applicable. Cost is determined on weighted average basis.

Traded goods:

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on transaction moving weighted average basis.

Scrap :– Net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

j) Leases:

Where the Company is lessee:

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

k) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods:

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Company collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Interest:

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the statement of profit and loss.

l) Investments:

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

m) Income Taxes:

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Notes to financial statements for the year ended March 31, 2016

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT Credit Entitlement.” The Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

n) Provisions:

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Warranty Provisions

Provisions for warranty related costs are recognised when the product is sold. Provision is based on historical experience and future estimate of claims by the management. The estimate of such warranty related costs is revised annually.

o) Borrowing Cost:

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

p) Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

q) Segment reporting:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

r) Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence

Notes to financial statements for the year ended March 31, 2016

in the financial statements.

s) **Cash and cash equivalents:**

Cash and cash equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

t) **Government grants and subsidies:**

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the years necessary to match them with the related costs, which they are intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds.

u) **Derivative instruments:**

In accordance with the ICAI Announcement, derivative contracts, other than foreign currency forward contracts covered under Accounting Standard-11, are marked to market on a individual basis, and the net loss, if any, after considering the offsetting effect on the underlying hedge item, is charged to the Statement of Profit and Loss and the net gain, if any, is ignored.

Note 3 : Share Capital **(Rs. in Lacs**

Particulars	March 31, 201t6	March 31, 2015
Authorized Shares		
41,000,000 (March 31, 2015: 41,000,000) equity shares of Rs. 10/- each	**4,100.00**	4,100.00
2,900,000 (March 31, 2015: 2,900,000) redeemable preference shares of Rs. 100/- each	**2,900.00**	2,900.00
	7,000.00	7,000.00
Issued, Subscribed and Fully Paid-Up Shares		
28,019,300 (March 31, 2015: 28,019,300) equity shares of Rs. 10/- each	**2,801.93**	2,801.93
Total	**2,801.93**	2,801.93

(a) **Terms/ rights attached to equity shares:**

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

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

(b) **Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year**

Equity Shares

Particulars	March 31, 2016		March 31, 2015	
	No. of shares	**(Rs. in lacs)**	No. of shares	(Rs. in lacs)
At the beginning of the year	**28,019,300**	**2,801.93**	28,019,300	2,801.93
Outstanding at the end of the year	**28,019,300**	**2,801.93**	28,019,300	2,801.93

Notes to financial statements for the year ended March 31, 2016

Preference Shares

Particulars	March 31, 2016		March 31, 2015	
	No. of shares	(Rs. in lacs)	No. of shares	(Rs. in lacs)
At the beginning of the year	—	—	1,316,000	1,316.00
Less: Redeemed during the year	—	—	(1,316,000)	(1,316.00)
Outstanding at the end of the year	—	—	—	—

(c) Shares held by Holding Company

Particulars	March 31, 2016	March 31, 2015
Suprajit Engineering Limited, the holding company 17,352,176 (March 31, 2015: Nil) equity shares of Rs. 10 each fully paid up *	**1,735.22**	-
Argon India Limited, erstwhile holding company Nil (March 31, 2015: 13,871,344) equity shares of Rs. 10 each fully paid up	-	1,387.13
Total	**1,735.22**	**1,387.13**

(d) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2016		March 31, 2015	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity shares of Rs. 10 each fully paid				
(i) Suprajit Engineering Limited, Holding company *	**17,352,176**	**61.93**	—	—
(ii) Argon India Limited, Foreign Promoter and erstwhile holding company	—	—	13,871,344	49.51
(iii) Argon South Asia Limited, Foreign Promoter	—	—	3,465,811	12.37

* The promoters of the Company have been changed upon acquisition of 51% stake by Suprajit Engineering Limited on June 18, 2015 and subsequently 0.05% through Open Offer. Consequent to this acquisition, Company has become subsidiary of Suprajit Engineering Limited. The promotors have further acquired 10.88% stake in the Company on October 9, 2015 pursuant to share purchase agreement dated May 6, 2015.

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note 4 : Reserves And Surplus **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Securities premium account (As per the last financial statements)	**3,733.86**	3,733.86
Capital subsidy (As per the last financial statements)	**40.00**	40.00
Capital redemption reserve (As per the last financial statements)	**2,937.00**	1,621.00
Add: Amount transferred from surplus balance in statement of profit and loss	-	1,316.00
Closing Balance	**2,937.00**	2,937.00
General reserve (As per the last financial statements)	**925.22**	925.22
Surplus in the statement of profit and loss		
As per the last financial statements	**7,186.12**	5,754.35
Add: Profit for the year	**141.36**	2,747.77
Less : Appropriations		
Transfer to capital redemption reserve	-	1,316.00
Net surplus in the statement of profit and loss	**7,327.48**	7,186.12
Total reserves and surplus	**14,963.56**	14,822.20

Notes to financial statements for the year ended March 31, 2016

Note 5 -Long Term Borrowings **(Rs. in Lacs)**

Particulars	Non-current portion		Current maturities	
	March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015
Term Loan				
Indian rupee loan from a bank (secured)	**661.77**	-	**88.23**	-
	661.77	-	**88.23**	-
The above amount includes				
Secured borrowings	**661.77**	-	**88.23**	-
Amount disclosed under the head "Other current liabilities" (Refer note 8)	**-**	-	**(88.23)**	-
Net amount	**661.77**	-	**-**	-

Indian rupee loan of Rs.750.00 lacs (including current maturities of Rs.88.23 lacs) (Previous year Nil and Nil respectively) carries interest @11.25% p.a. The loan is repayable in 17 quarterly installments of Rs.44.12 lacs each, starting from the end of 12th month from the date of drawdown. The loan is secured by exclusive charge on the plant and machinery purchased/to be purchased from the said term loan and second pari passu charge on immovable and movable fixed assets of the Company situated at Plot No. 59 A, 59 D & A1 at Noida.

Note 6 : Provisions

Particulars	Long Term		Short Term	
	March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015
Provision for employee benefits				
Leave encashment	**-**	-	**114.12**	121.77
Gratuity (Refer note 40)	**431.40**	442.75	**90.46**	90.90
	431.40	442.75	**204.58**	212.67
Other provision				
Provision for Post-sales warranties *	**-**	-	**32.00**	32.00
Provision for mark-to-market losses on forward contracts	**-**	-	**24.29**	-
Provision for income tax (Net of advance tax)	**-**	-	**19.83**	-
	-	-	**76.12**	32.00
Total	**431.40**	442.75	**280.70**	244.67

* The Company is carrying post sales warranties provision for Auto Lamps based on historical experience and future estimate of claims by the management and it is expected that significant portion of these costs will be incurred in the next financial year.

The movement in the provision for post-sales warranties is as follows : **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Balance at the beginning of the year	**32.00**	32.00
Recognized during the year	**87.14**	60.96
Utilised during the year	**(87.14)**	(60.96)
Reversed during the year	**-**	-
Balance at the end of the year	**32.00**	32.00

* Rs. 87.14 lacs (March 31, 2015: Rs. 60.96 lacs) debited in sales.

Notes to financial statements for the year ended March 31, 2016

Note 7 : Short Term Borrowings **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Working capital facilities from banks (secured)		
Cash credit facilities from banks	**747.29**	3,077.87
Packing credit foreign currency loan from a bank	**600.76**	-
Overdraft from banks	**599.15**	-
Bill discounting from banks	**1,401.13**	448.30
	3,348.33	3,526.17
The above amount includes:		
Secured borrowings	**3,348.33**	3,526.17
Unsecured borrowings	**-**	-

i. Cash credit facilities from banks are secured by first pari-passu charge by way of hypothecation of entire current assets of the Company, both present and future situated at Plot No. 59 A, 59 D & A1 at Noida and further secured by way of first pari-passu charge on movable and immovable fixed assets (except fixed assets on which exclusive charge has been created towards term loan availed by the Company) of the Company situated at Plot No. 59 A, 59 D & A1 at Noida. The cash credit facilities are repayable on demand and carry interest @10.75% p.a.

ii. Packing credit foreign currency loan from a bank is for a term not exceeding a period of 180 days from the drawdown date and carries interest @3.00% p.a. These borrowings are secured by first pari-passu charge by way of hypothecation of entire current assets of the Company, both present and future situated at Plot No. 59 A, 59 D & A1 at Noida and further secured by way of second pari-passu charge on movable and immovable fixed assets (except fixed assets on which exclusive charge has been created towards term loan availed by the Company) of the Company situated at Plot No. 59 A, 59 D & A1 at Noida.

iii. Overdraft facilities from banks are repayable on demand and carry interest @10.50% to 10.75% p.a. These borrowings are secured by way of first pari-passu charge by way of hypothecation of entire current assets of the Company, both present and future situated at Plot No. 59 A, 59 D & A1 at Noida and further secured by:

(a) first pari-passu charge on movable and immovable fixed assets (except fixed assets on which exclusive charge has been created towards term loan availed by the Company) of the Company situated at Plot No. 59 A, 59 D & A1 at Noida for amount Rs. 598.78 lacs and;

(b) second pari-passu charge on movable and immovable fixed assets (except fixed assets on which exclusive charge has been created towards term loan availed by the Company) of the Company situated at Plot No. 59 A, 59 D & A1 at Noida for amount Rs. 0.37 lac.

iv. Bill discounting facilities from banks carry interest @ 9.75% to 10.15% p.a. Bill discounting facility from a bank of Rs. 365.90 lacs is secured by first pari-passu charge by way of hypothecation of entire current assets of the Company, both present and future situated at Plot No. 59 A, 59 D & A1 at Noida and further secured by way of first pari-passu charge on movable and immovable fixed assets of the Company, (except fixed assets on which exclusive charge has been created towards term loan situated at Plot No. 59 A, 59 D & A1 at Noida). Bill discounting facility from a bank of Rs. 1,035.23 lacs is secured by second charge by way of hypothecation of entire current assets of the Company, both present and future situated at Plot No. 59 A, 59 D & A1 at Noida and further secured by way of second pari-passu charge on movable and immovable fixed assets (except fixed assets on which exclusive charge has been created towards term loan availed by the Company) of the Company situated at Plot No. 59 A, 59 D & A1 at Noida.

Notes to financial statements for the year ended March 31, 2016

Note 8 : Trade Payables and Other Current Liabilities **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (Refer note 37 for details of dues to micro and small enterprises)	**367.89**	153.81
- total outstanding dues of creditors other than micro enterprises and small enterprises (including acceptances* of Nil, March 31, 2015: Rs. 1,497.20 lacs)	**1,514.07**	2,950.34
	1,881.96	3,104.15
Other current liabilities:		
Current maturities of long term borrowings (Refer note 5)	**88.23**	-
Interest accrued but not due on borrowings	**20.39**	-
Interest due on micro enterprises and small enterprises (Refer note 37)	**10.95**	-
Advances from customers and their credit balances	**150.11**	93.80
Investor Education and Protection Fund will be credited by following amount (as and when due): Unpaid dividend	**118.39**	146.89
Security deposits	**0.75**	1.25
Payable towards capital goods and services	**65.59**	19.69
Accrued employee liabilities	**262.02**	226.29
Sales tax/ VAT payable	**0.54**	7.07
Excise Duty/Custom Duty payable	**19.98**	19.19
Service tax payable	**0.56**	3.61
Provident Fund / ESI payable	**26.58**	26.68
TDS payable	**41.57**	13.44
Interest on income tax payable	**1.57**	-
Deferred premium on forward contracts**	**4.52**	-
Unearned Income	**14.52**	-
Other liabilities	**13.07**	54.01
	839.34	611.92
Total	**2,721.30**	3,716.07

* Acceptances represented amount outstanding under Purchase Bill Discounting Facility of Rs. 1,500 lacs under Receivable Finance Scheme of Small Industries Development Bank of India (SIDBI). The said facility was secured by second pari passu charge on all movable and immovable fixed assets of the Company situated at Plot No. 59 A, 59 D & A1 at Noida and residual charge on the current assets of the Company. The said facility has been discontinued during the year and there is no outstanding balance as at the year end.

** The unamortised premium on outstanding forward contracts is being carried forward to be credited to the statement of profit and loss in subsequent year.

Notes to financial statements for the year ended March 31, 2016

Note 9 : Tangible Assets

(Rs. in Lacs)

Particulars	Lease hold Land	Buildings	Plant & Machinery	Furniture & Fixtures	Office equipments	Computers	Vehicles	TOTAL
Cost								
At 1 April 2014	**128.11**	**1,268.64**	**12,691.24**	**138.11**	**165.95**	**318.08**	**33.69**	**14,743.82**
Additions	-	-	201.04	0.27	8.78	4.11	-	**214.20**
Disposals	-	-	766.58	25.89	68.08	18.00	6.64	**885.19**
At 31 March 2015	**128.11**	**1,268.64**	**12,125.70**	**112.49**	**106.65**	**304.19**	**27.05**	**14,072.83**
Additions	-	-	501.65	3.01	6.43	4.93	-	**516.02**
Disposals	-	11.97	60.41	-	0.15	0.23	4.67	**77.43**
At 31 March 2016	**128.11**	**1,256.67**	**12,566.94**	**115.50**	**112.93**	**308.89**	**22.38**	**14,511.42**
Depreciation								
At 1 April 2014	**21.34**	**575.79**	**10,502.57**	**121.04**	**100.01**	**284.04**	**17.39**	**11,622.18**
Charge for the year	1.64	41.10	469.10	13.09	59.36	25.07	4.59	**613.95**
Disposal	-	-	753.54	25.89	68.07	17.87	3.01	**868.38**
At 31 March 2015	**22.98**	**616.89**	**10,218.13**	**108.24**	**91.30**	**291.24**	**18.97**	**11,367.75**
Charge for the year (refer note 42)	1.64	41.00	511.64	1.30	6.40	10.44	1.97	**574.39**
Disposal	-	4.76	57.47	-	0.15	0.23	3.34	**65.95**
At 31 March 2016	**24.62**	**653.13**	**10,672.30**	**109.54**	**97.55**	**301.45**	**17.60**	**11,876.19**
Net block								
As at 31 March 2015	**105.13**	**651.75**	**1,907.57**	**4.25**	**15.35**	**12.95**	**8.08**	**2,705.08**
As at 31 March 2016	**103.49**	**603.54**	**1,894.64**	**5.96**	**15.38**	**7.44**	**4.78**	**2,635.23**

Notes:

(1) The Company has taken a property at A1, Noida on Lease for 78 years from the Noida Authority. The lease amount of Rs. 128.11 lacs paid by the Company at the time of entering into lease agreement is disclosed as 'Leasehold Land' above.

(2) Buildings include building of Gross Block Rs. 590.64 lacs, WDV Rs.207.95 lacs (March 31, 2015 : Gross Block of Rs 590.64 lacs, WDV of Rs.226.41 lacs) constructed on leased land belonging to Noida Special Economic Zone. During the year, depreciation of Rs.18.46 lacs (March 31, 2015: Rs.18.46 lacs) has been charged on this building.

(3) Capital work-in-progress includes capitalization of expenditure amounting Rs. 36.46 lacs (Previous year: Nil) (refer Note no. 44)

Notes to financial statements for the year ended March 31, 2016

Note 10 : Intangible Assets **(Rs. in Lacs)**

Particulars	Software	TOTAL
Gross Block		
At 1 April 2014	**317.00**	**317.00**
Additions	31.70	31.70
At 31 March 2015	**348.70**	**348.70**
Additions	0.98	0.98
At 31 March, 2016	**349.68**	**349.68**
Amortization		
At 1 April 2014	**299.53**	**299.53**
Charge for the year	14.84	14.84
At 31 March 2015	**314.37**	**314.37**
Charge for the year	12.44	12.44
As at 31 March 2016	**326.81**	**326.81**
Net Block		
As at 31 March 2015	**34.33**	**34.33**
As at 31 March 2016	**22.87**	**22.87**

Note 11 : Deferred Tax Assets (Net) **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Deferred tax assets		
Effect of expenditure debited to statement of profit and loss in the current/earlier years but allowable for tax purposes in the following years	**291.14**	315.73
Provision for doubtful debts	**1.81**	1.67
Provision for obsolete inventories	**66.10**	81.09
Provision for Mark to Market Losses on Forward Contracts	**8.41**	-
Gross deferred tax assets	**367.46**	398.49
Deferred tax liability		
Fixed Assets: Impact of difference between tax depreciation and depreciation /amortisation charged for the financial reporting	**162.79**	208.44
Gross deferred tax liability	**162.79**	208.44
Net deferred tax assets	**204.67**	190.05

Note 12 : Non Current Investments **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Trade Investments (valued at cost unless stated otherwise)		
Unquoted equity instruments		
Investment in subsidiaries		
30,000 (March 31, 2015: 5,000) equity shares of EURO 1 each fully paid up in Trifa Lamps Germany, GmbH (refer note (a) below)	**3,119.97**	3.65
91,125 (March 31,2015: Nil) equity shares of EURO 100 each fully paid up in Luxlite Lamps SARL Luxembourg {At cost less provision for diminution in value of investment Rs.1,995.36 lacs (Previous year: Nil)} (refer note (b) & (c) below)	**5,927.67**	-
Nil (March 31, 2015: 9,340,000) equity shares of EURO 1 each fully paid up in International Lamps Holding Company S.A. Luxembourg (refer note (b) below)	**-**	7,923.03
Total	**9,047.64**	7,926.68
Aggregate amount of unquoted investments	**9,047.64**	7,926.68
Aggregate provision for diminution in value of investments	**1,995.36**	-

Notes to financial statements for the year ended March 31, 2016

Notes:

a. During the year ended March 31, 2016, the Company has acquired the remaining shareholding i.e. 25,000 equity shares of EURO 1 each fully paid up in its downstream subsidiary Trifa Lamps Germany, GmbH (Trifa), from its another downstream subsidiary Luxlite Lamps SARL Luxembourg, for a consideration of EURO 41.61 lacs (Rs.3,116.32 lacs) based on a valuation performed by an independent valuer. Thus, Trifa became a wholly owned subsidiary of the Company. These shares were transferred to the Company vide share purchase agreement dated February 16, 2016 and notary document evidencing the transfer of shares dated March 10, 2016. The registration of the aforesaid number of 25,000 equity shares with the Registry of Commerce as required under the applicable laws in Germany is under process.

b. International Lamps Holding Company S.A. ("ILHC"), the wholly owned subsidiary of the Company, was merged with its wholly owned subsidiary Luxlite Lamps SARL Luxembourg effective from March 30, 2016 with an exchange ratio of 0.0098:1 (received 91,125 equity shares of EURO 100 each fully paid up in exchange of 93,40,000 equity shares of EURO 1 each fully paid up) as arrived on the basis of the valuation report of an independent valuer. Accordingly, with the requisite approval from regulatory authority, Luxlite Lamps SARL Luxembourg became a wholly owned subsidiary of the Company. The accounting effect of the said merger has been given from the effective date i.e. April 01, 2015.

c. Based on the financial statements of the wholly owned subsidiary company namely Luxlite Lamps SARL Luxembourg as at March 31, 2016, the net worth of the subsidiary is partially eroded. The subsidiary company has incurred loss during the current year (without considering profit on sale of equity shares of Trifa Lamps Germany Gmbh to the Company) as well as in the earlier years. The Company has carried out the fair valuation of the subsidiary company as at March 31, 2016 by an independent valuer and has accordingly made a provision of Rs.1,995.36 lacs on account of diminution in the value of its investment in the subsidiary company. The same has been shown under 'Exceptional item' in note no. 26 to the financial statements.

Note 13 : Loans And Advances (Unsecured & Considered Good) **(Rs. in Lacs)**

Particulars	Non-current		Current	
	March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015
Capital advances	**1,271.10**	175.02	**-**	-
(A)	**1,271.10**	175.02	**-**	-
Security deposits	**81.38**	79.96	**2.20**	1.35
(B)	**81.38**	79.96	**2.20**	1.35
Advances recoverable in cash or in kind	**-**	-	**30.36**	20.03
(C)	**-**	-	**30.36**	20.03
Other loans and advances				
Advance income taxes/tax deducted at source (Net of provision of Income tax)	**-**	-	**2,147.56**	2,132.08
Prepaid expenses	**-**	-	**61.44**	118.85
MAT credit entitlement (Refer note 41(a))	**154.32**	622.44	**-**	-
Loans and advances to employees	**-**	-	**6.92**	7.79
Balances with statutory / government authorities	**10.76**	86.02	**192.51**	238.10
(D)	**165.08**	708.46	**2,408.43**	2,496.82
Total (A+B+C+D)	**1,517.56**	963.44	**2,440.99**	2,518.20

Note 14 : Other Assets (Unsecured, considered good) **(Rs. in Lacs)**

Particulars	Non-current		Current	
	March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015
Non current bank balances (refer note 17)	3.95	3.64	-	-
Forward contracts receivable	-	-	3.86	-
Interest receivable			34.29	6.10
Total	**3.95**	**3.64**	**38.15**	**6.10**

Notes to financial statements for the year ended March 31, 2016

Note 15 : Inventories (valued at lower of cost or net realizable value) **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Raw materials (includes in transit Rs 275.46 lacs (March 31, 2015: Rs. 169.98 lacs) (Refer note 20)	**1,607.57**	1,752.80
Fuels	**18.75**	27.16
Consumables	**29.38**	17.13
Packing materials	**120.87**	81.89
Stores and spares	**102.29**	219.75
Finished goods (Refer note 21)	**1,376.41**	905.88
Work in progress (Refer note 21)	**1,077.64**	1,472.08
Traded goods (Refer note 21)	**34.82**	25.28
Scrap	**41.95**	9.82
	4,409.68	4,511.79
Less:- Provision for obsolete inventories	**(191.01)**	(234.31)
Total	**4,218.67**	4,277.48

Note 16 : Trade Receivables **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	**-**	1.97
Unsecured, considered doubtful	**4.69**	4.74
	4.69	6.71
Provision for doubtful receivables	**4.69**	4.74
	-	1.97
Other receivables		
Unsecured, considered good	**4,831.65**	6,667.56
Unsecured, considered doubtful	**0.55**	0.08
	4,832.20	6,667.64
Provision for doubtful receivables	**0.55**	0.08
	4,831.65	6,667.56
Total	**4,831.65**	6,669.53

Note 17 : Cash and Bank balances **(Rs. in Lacs)**

Particulars	Non-current		Current	
Cash and cash equivalents	**March 31, 2016**	March 31, 2015	**March 31, 2016**	March 31, 2015
Balances with banks:				
in current accounts	**-**	-	**17.72**	57.66
in cash credit accounts	**-**	-	**-**	1.00
deposits with original maturity of less than three months**	**-**	-	**1.13**	1.06
in unpaid dividend accounts*	**-**	-	**118.39**	146.89
Cash on hand	**-**	-	**3.32**	4.49
Total (A)	**-**	-	**140.56**	211.10

Notes to financial statements for the year ended March 31, 2016

Other bank balances				
Deposits with remaining maturity of less than 12 months**	**-**	-	**4.24**	3.96
Deposits with remaining maturity of more than 12 months**	**3.95**	3.64	**6.31**	5.85
	3.95	3.64	**10.55**	9.81
Less : Amount disclosed under non current assets (Refer note 14)	**(3.95)**	(3.64)	**-**	-
Total (B)	**-**		**10.55**	9.81
Total (A+B)	**-**	-	**151.11**	220.91

* These balances are not available for the use by the Company as they represent corresponding unclaimed divindend liabilities.
** Deposits aggregainting to Rs. 15.63 lacs (March 31, 2015: Rs. 14.51 lacs) are in the nature of margin money kept with banks against bank gurantees given

Note 18 : Revenue from operations **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Revenue from operations		
Sale of products:		
Finished goods	**23,627.62**	25,877.62
Traded goods	**124.53**	163.90
Other operating revenue:		
Scrap Sales	**50.75**	95.69
Revenue from operations (gross)	**23,802.90**	26,137.21
Less: Excise duty	**(1,959.05)**	(1,726.90)
Revenue from operations (net) Total	**21,843.85**	24,410.31

Excise duty on sales amounting to Rs. 1,959.05 lacs (March 31, 2015: Rs. 1,726.90 lacs) has been reduced from sales in statement of profit and loss and excise duty on increase in inventory amounting to Rs. 42.37 lacs (March 31, 2015: Rs. 0.90 lac) has been considered as expense in note 25 of financial statements.

Detail of products sold **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Finished Goods		
Auto Lamps	**23,627.62**	25,877.62
	23,627.62	25,877.62
Traded Goods		
Stop and Tail Lamps	**108.45**	42.82
Auto Lamps	**16.08**	121.08
	124.53	163.90

Note 19 : Other Income **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Interest income on:		
Fixed deposits	**1.26**	5.48
Income tax refund	**20.59**	-
Loan to a subsidiary (refer note 38)	**20.44**	-
Others	**7.56**	34.66
Exchange differences (net)	**450.50**	-
Reversal of provision for obsolete inventories	**43.30**	129.23
Unspent liabilities written back	**-**	6.63
Gain on disposal of fixed assets (net)	**-**	13.61
Miscellaneous income	**150.23**	1.52
Total	**693.88**	191.13

Notes to financial statements for the year ended March 31, 2016

Note 20 : Cost of materials consumed **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Raw materials *	**10,542.69**	11,565.65
Fuels	**742.26**	774.94
Consumables	**100.15**	88.37
Packing Materials	**694.29**	716.81
Total	**12,079.39**	13,145.77

(Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
*** Details of raw materials consumed**		
Glass Tube	**1,848.69**	1,967.62
Lamp Base Parts	**2,999.04**	3,336.71
Imported Bulb	**204.48**	117.12
T. Filament	**820.45**	936.16
Others	**4,670.03**	5,208.04
	10,542.69	11,565.65
Details of inventory		
Glass Tube	**645.90**	632.47
Lamp Base Parts	**310.62**	291.37
Imported Bulb	**71.42**	35.18
T. Filament	**61.93**	98.46
Others	**517.70**	695.32
	1,607.57	1,752.80

Note 21 : (Increase)/ decrease in inventories **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015	(Increase) / decrease
Opening Stock			
Finished goods	**905.88**	1,166.37	**260.49**
Traded goods	**25.28**	94.59	**69.31**
Work in progress	**1,472.08**	1,382.24	**(89.84)**
Scrap	**9.82**	6.06	**(3.76)**
Total (A)	**2,413.06**	2,649.26	**236.20**
Closing stock			
Finished goods	**(1,376.41)**	(905.88)	**(470.53)**
Traded goods	**(34.82)**	(25.28)	**(9.54)**
Work in progress	**(1,077.64)**	(1,472.08)	**394.44**
Scrap	**(41.95)**	(9.82)	**(32.13)**
Total (B)	**(2,530.82)**	(2,413.06)	**(117.76)**
	(117.76)	236.20	

Notes to financial statements for the year ended March 31, 2016

(Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
Details of purchase of traded goods		
Stop & Tail Lamps	89.46	39.33
Auto Lamps	17.60	33.36
	107.06	72.69
Details of inventory		
Finished goods		
Auto Lamp	1,376.41	905.88
	1,376.41	905.88
Traded goods		
Stop & Tail Lamps	8.59	11.56
Auto Lamps	26.23	13.72
	34.82	25.28
Work in progress		
Bulb	228.03	123.63
Filament	46.11	49.01
Lamp without stamp	803.50	1,299.44
	1,077.64	1,472.08

Note 22 : Employee benefits expense (Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
Salaries, wages and bonus	2,865.79	2,933.96
Contribution to provident and other funds	182.87	190.40
Gratuity expense (Refer note 40)	24.83	111.14
Staff welfare	145.72	170.24
Total	3,219.21	3,405.74

Note 23 : Finance Costs (Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
Interest on term loan **	4.82	63.89
Interest others* (including Rs.2.29 lacs, March 31, 2015: Rs.1.39 lacs on income tax)	274.84	306.60
Other finance costs	59.85	49.69
Total	339.51	420.18

* net of interest concession under Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit of the Government of India effective from April 1, 2015 of Rs. 22.95 lacs (March 31, 2015: Nil).

** Refer note 44

Note 24 : Depreciation and amortization expense (Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
Depreciation of tangible assets	574.39	613.95
Amortization of intangible assets	12.44	14.84
Total	586.83	628.79

Notes to financial statements for the year ended March 31, 2016

Note 25 : Other Expenses **(Rs. in Lacs)**

Particulars	**March 31, 2016**	March 31, 2015
Consumption of stores and spares	**471.32**	355.29
Power and fuel	**594.33**	568.66
Rent	**66.33**	56.48
Rates and taxes	**30.60**	-
Increase of excise duty on inventory	**42.37**	0.90
Technician expenses	**12.50**	21.03
Printing and stationery	**20.99**	23.27
Vehicle running and maintenance	**5.88**	6.68
Insurance charges	**51.16**	56.08
Filing and legal charges	**50.55**	29.66
Travelling and conveyance*	**260.60**	279.44
Communication expenses	**34.61**	31.99
Repair and maintenance :		
Plant and machinery	**49.58**	40.34
Buildings	**18.60**	12.53
Others	**125.12**	86.52
Auditor's remuneration (refer detail below)	**38.28**	51.67
Professional charges	**338.37**	285.68
Advertisement and sales promotion	**89.49**	79.02
Freight outward (net)	**268.28**	302.86
Commercial Claims	**66.78**	-
Selling commission (other than to sole selling agents)	**23.50**	24.36
Cash Discount	**15.17**	13.80
Security services	**61.67**	53.92
Loss on disposal of fixed assets (Net)	**8.20**	-
Corporate Social Responsibility (CSR) expenditure (Refer note 43)	**73.70**	47.07
Provision for doubtful debts (net of write off of Rs.0.51 lac, March 31, 2015: Rs. 7.97 lacs)	**0.93**	1.54
Ir-recoverable balances written off	**155.26**	-
Exchange differences (net)	**-**	497.23
Bank charges	**43.13**	58.48
Miscellaneous expenses*	**33.52**	73.21
Total	**3,050.82**	3,057.71

* Refer note 44

Notes to financial statements for the year ended March 31, 2016

Payment to statutory auditor **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
As Auditor:		
Audit fee	**16.00**	19.00
Tax audit fee	**3.05**	3.58
Limited Reviews	**7.50**	7.50
In other capacity:		
Certification & other matters	**10.20**	13.69
Reimbursement expenses	**1.53**	7.90
Total	**38.28**	51.67

Note 26 : Exceptional Item **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Provision for diminution in value of investment in a subsidiary company (Refer note no. (c) of note 12)	**1,995.36**	-
Total	**1,995.36**	-

Note 27 : Earnings per equity share (EPS)

Particulars	March 31, 2016	March 31, 2015
Profit after tax (Rs. in lacs)	**141.36**	2,747.77
Weighted average number of equity shares for calculating basic and diluted EPS (in Nos.)	**28,019,300**	28,019,300
Basic and Diluted earnings per share (in Rs.)	**0.50**	9.81
Nominal value of share (In Rs.)	**10.00**	10.00

Note 28 : Capital and other commitments **(Rs. int Lacs)**

Particulars	March 31, 2016	March 31, 2015
Estimated amount of unexecuted capital contracts (net of advances)	**889.59**	27.28

Note 29 : Contingent Liabilities (To The Extent Not Provided) **(Rs. in Lacs)**

Particulars	As at	
	March 31, 2016	March 31, 2015
a) Standby Letter of credit in favour of a bank towards loan taken by a subsidiary company	**1,126.43**	1,215.19
(b) Others:		
(i) Demands from the Indian tax authorities for disputed demands of income tax. The said amount includes mainly addition in sales, disallowance of purchases, other expenses and benefits and TDS for the Assessment Years 2005-06, 2009-10 to 2014-15*	**5,395.94**	8,609.94
(ii) In respect of Assessment Year 2012-13, certain adjustments/ disallowances were made by the Indian tax authorities on account of benefits claimed u/s 10AA of the Income Tax Act, 1961, interest on delayed realized export proceeds, SBLC charges etc. The Company has filed the objection against the draft assessment order and is pending before Dispute Resolution Panel ('DRP') for disposal. The amount of disallowances is Rs.1,132.69 lacs on which income tax amounts to Rs.367.50 lacs (excluding interest, penalty etc)*	**367.50**	-
(iii) VAT/Sales Tax demands*	**4.10**	16.03
(iv) Excise duty paid under Protest	**-**	66.18
(v) Penalty against service tax demand*	**10.66**	10.27
(vi) Claims also includes suspension period wages*	**39.03**	89.02

Notes to financial statements for the year ended March 31, 2016

*Based on favourable decision in similar cases, discussions with the advocate etc, the Company believes that there is fair chance of decision in its favour and hence no provision is considered necessary against the same.

The Contigent Liabilities disclosed above exclude liabilities pertaining to General Lighting business which are to be borne by Halonix Technologies Private Limited ("HTPL") to whom the business had been transferred in the Financial Year 2013-14, in accordance with the Business Transfer Agreement signed by the Company with HTPL.

Note 30 : Derivative Instruments and Unhedged foreign currency exposure

(a) Particulars of derivative outstanding as at the reporting date

Details of Derivatives	Currency	As at March 31, 2016	As at March 31, 2015	Purpose
		In Foreign Currency (in lacs)	In Foreign Currency (in lacs)	
Forward Contracts	**EURO**	**5.12**	-	To hedge foreign currency receipts
Sell	**EURO**	**22.50**	-	To hedge highly probable foreign currency sales

(b) Particulars of unhedged foreign currency exposure as at the reporting date **(Rs. in Lacs)**

Particulars	Currency	As at March 31, 2016		As at March 31, 2015	
		In Foreign Currency (in lacs)	In Indian Rupees (in lacs)	In Foreign Currency (in lacs)	In Indian Rupees (in lacs)
Trade Payables	EURO	**4.43**	**332.33**	4.62	311.89
Trade Payables	USD	**2.51**	**166.53**	2.86	179.17
Trade Payables	JPY	**-**	**-**	10.30	5.36
Payable towards capital goods	USD	**0.89**	**59.30**	0.31	19.65
Trade Receivables	EURO	**12.50**	**938.96**	52.63	3,552.95
Trade Receivables	USD	**1.83**	**121.64**	0.22	13.96
Short term Borrowings	EURO	**8.00**	**600.76**	-	-
Bank Balance	USD	**-**	**-**	0.37	23.32

Note 31: Leases

The Company has taken various residential and warehouse premises under operating lease agreements. These are generally cancellable and are renewable by mutually agreed terms. There are no restrictions imposed by Lease Agreements. There are no sub leases. **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Total Lease Payment for the year (Recognized in the statement of profit and loss)	**23.50**	19.22

Note 32: Value of Imported and Indigenous Raw Materials, fuels, consumables, packing materials, stores and spares consumed **(Rs. in Lacs)**

Items	March 31,2016	%	March 31,2015	%
Raw Materials				
Imported	**3,527.78**	**33.46%**	5,157.78	44.60%
Indigenous	**7,014.91**	**66.54%**	6,407.87	55.40%
Total	**10,542.69**	**100.00%**	11,565.65	100.00%
Fuels, consumables, packing materials and stores and spares				
Imported	**110.45**	**5.50%**	115.70	5.98%
Indigenous	**1,897.57**	**94.50%**	1,819.71	94.02%
Total	**2,008.02**	**100.00%**	1,935.41	100.00%

Notes to financial statements for the year ended March 31, 2016

Note 33 : Value of Imports on CIF Basis **(Rs. in Lacs)**

Particulars	As at	
	March 31, 2016	March 31, 2015
Raw Materials	**3,329.53**	4,421.48
Spare Parts/Consumables	**99.92**	95.91
Capital Goods	**361.24**	152.78
	3,790.69	**4,670.17**

Note 34 : Expenditure in Foreign Currency **(Rs. in Lacs)**

Particulars	As at	
	March 31, 2016	March 31, 2015
Travelling and conveyance	**13.11**	11.35
Professional Fees	**4.66**	17.92
Selling Commission	**22.49**	17.97
Commercial Claim	**11.53**	-
Other expenses	**22.11**	30.44
	73.90	**77.68**

Note 35 : Earnings in Foreign Currency **(Rs. in Lacs)**

Particulars	As at	
	March 31, 2016	March 31, 2015
FOB value of Exports	**9,336.65**	10,895.49
Freight Recovery	**94.08**	149.93
Interest Income	**20.44**	-
Reimbursement of finance cost	**5.47**	97.65

Note 36 : Dividends Remitted In Foreign Currencies **(Rs. in Lacs)**

Particulars	As at	
	March 31, 2016	March 31, 2015
Period to which it relates	**-**	2014-2015
Number of non-resident shareholders (includes Promoters and FII's)	**-**	79
Number of equity shares held on which dividend was due	**-**	2,08,03,769
Amount remitted (in USD)	**-**	NIL
Amount remitted (in INR)	**-**	22,88,41,459

Notes to financial statements for the year ended March 31, 2016

Note 37: The Company has initiated the process of obtaining confirmation from suppliers who have registered themselves under the Micro Small Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Based on the information available with the Company, the details of dues to Micro and Small Enterprise as per MSMED Act, 2006 are as under:-

(Rs. in Lacs)

Particulars	**As at**	
	March 31, 2016	March 31, 2015
i) The Principal amount and the interest due thereon remaining unpaid to any suppliers as at end of each accounting year	**-**	-
Principal Amount due to micro and small enterprises:	**367.89**	153.81
Interest due on above:	**10.95**	-
ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	**-**	-
iii) The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act , 2006	**-**	-
iv) The amount of interest accrued and remaining unpaid at the end of the year, and	**-**	-
v) The amount of further interest remaining due and payable even in the succeeding years , until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro , Small and Medium Enterprise Development Act , 2006	**-**	-

Note 38 : Related Party Disclosures

The Company has the following related parties in accordance with Accounting Standard- 18 specified under Section 133 of the Companies Act 2013:

Nature of Relationship	**Names of the Related Parties**
Related parties where control exists	
i) Subsidiaries	a) Luxlite Lamps SARL Luxembourg (“Luxlite”) (w.e.f. March 30, 2016; downstream subsidiary till March 29, 2016) b) Trifa Lamps Germany GmbH (“Trifa”) (w.e.f. Februrary 16, 2016; downstream subsidiary till February 15, 2016) c) International Lamps Holding Company S.A. (“ILHC”) (wholly owned subsidiary till March 29, 2016)
ii) Holding Company	a) Suprajit Engineering Limited (w.e.f. June 18, 2015) b) Argon India Limited (Argon India) (till June 17, 2015)
iii) Enterprises under common control (Fellow Subsidiary)	a) Argon South Asia Limited (Argon South) (till June 17, 2015)
iv) Key Management personnel	a) Mr. K. Ajith Kumar Rai (Chairman) (w.e.f. June 18, 2015) b) Mr. Mohan Srinivasan Nagamangala (Director & Chief Executive Officer) (w.e.f. June 18, 2015) c) Mr. Pranay D Gandhi (Managing Director) (till June 18, 2015)
v) Enterprises owned or significantly influenced by Key Management Personnel	Suprajit Foundation (w.e.f. June 18, 2015)

Notes to financial statements for the year ended March 31, 2016

B) Related Party Transactions (Rs. in Lacs)

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year:

Nature of Transactions	Subsidiary Company			Common Control	Enterprises owned or significantly influenced by Key Management Personnel	Holding Company		Key Management Personnel	Total
Transactions during the Year	**Luxlite**	**Trifa**	**ILHC**	**Argon South**	**Suprajit Foundation**	**Suprajit Engineering Limited**	**Argon India**	**Mr. Pranay D Gandhi**	
I) Investment made	-	3,116.32	-	-	-	-	-	-	3,116.32
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
II) (a) Investement pursuant to reverse merger *	7,923.03	-	-	-	-	-	-	-	7,923.03
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
(b) Transfer of investment pursuant to reverse merger *	-	-	(7,923.03)	-	-	-	-	-	(7,923.03)
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
III) Loan /Advances Given	-	715.50	-	-	-	-	-	-	715.50
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Loan /Advances received back (before considering exchange difference)	-	715.50	-	-	-	-	-	-	715.50
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
IV) Managerial Remuneration	-	-	-	-	-	-	-	33.31	33.31
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(130.32)	(130.32)
V)(a) Standby Letter of Credit redeemed during the year	-	1,215.19	-	-	-	-	-	-	1,215.19
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
(b) Standby Letter of Credit issued during the year	-	1,126.43	-	-	-	-	-	-	1,126.43
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
VI) Dividend Paid	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(437.42)	(-)	(-)	(1,749.67)	(-)	(2,187.08)
VII) Sales	4,498.77	3,101.14	-	-	-	-	-	-	7,599.91
	(4,468.68)	(4,840.11)	(-)	(-)	(-)	(-)	(-)	(-)	(9,308.79)
VIII) Freight Recovery	53.91	39.44	-	-	-	-	-	-	93.35
	(94.50)	(54.95)	(-)	(-)	(-)	(-)	(-)	(-)	(149.45)
IX) Purchase of raw materials	50.32	-	-	-	-	-	-	-	50.32
	(18.64)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(18.64)
X) CSR expenditure	-	-	-	-	73.70		-	-	73.70
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-
XI) Commercial Claims	-	11.53	-	-	-	-	-	-	11.53
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-
XII) Reimbursement of finance cost	-	5.47	-	-	-	-	-	-	5.47
	(-)	(97.65)	(-)	(-)	(-)	(-)	(-)	(-)	(97.65)
XIII) Mangement Fees paid	-	-	-	-	-	153.21	-	-	153.21
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-
XIV) Interest received	-	20.44	-	-	-	-	-	-	20.44
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
XV) Provision for diminution in the value of investment	1,995.36	-	-	-	-	-	-	-	1,995.36
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

Notes to financial statements for the year ended March 31, 2016

Balances outstanding at the year end

Nature of Transactions	Subsidiary Company			Common Control	Enterprises owned or significantly influenced by Key Management Personnel	Holding Company		Key Management Personnel	Total
Transactions during the Year	Luxlite	Trifa	ILHC	Argon South	Suprajit Foundation	Suprajit Engineering Limited	Argon India	Mr. Pranay D Gandhi	
I) Investments	7,923.03	3,119.97	-	-	-	-	-	-	11,043.00
	(-)	(3.65)	(7,923.03)	(-)	(-)	(-)	(-)	(-)	(7,926.68)
II) Trade Payables	7.13	-	-	-	-	-	-	-	7.13
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-
III) Managerial Remuneration Payable	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(15.00)	(15.00)
IV) Trade Receivables	964.61	674.50	-	-	-	-	-	-	1,639.11
	(3,146.00)	(855.12)	(-)	(-)	(-)	(-)	(-)	(-)	(4,001.11)
V) Standby Letter of Credit	-	1,126.43	-	-	-	-	-	-	1,126.43
	(-)	(1,215.19)	(-)	(-)	(-)	(-)	(-)	(-)	(1,215.19)
VI) Provision for diminution in the value of investment	1,995.36	-	-	-	-	-	-	-	1,995.36
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

i) Previous Year figures are given in brackets.

ii) The remuneration to the key managerial personnel does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for the Company as a whole and includes value of perquisites based on actual payment or evaluated as per Income Tax Rules, 1962.

iii) *Refer note no. (b) of note 12 to the financial statements.

Note 39 : Segment Reporting

Business Segment

The Company is engaged in the manufacturing of Auto Lamps and caters to both domestic and international markets. The product do not have any different risk and returns and thus the Company has only one business segment.

Geographic Segments

The following table shows the distribution of the Company's consolidated sales by geographical market regardless of where the goods were produced and the carrying amount of trade receivable by geographical market.

Particulars	Within India	Outside India	Total
Gross Sales	**14,376.49**	**9,426.41**	**23,802.90**
	(14,993.38)	(11,143.83)	(26,137.21)
Trade Receivables	**3,020.67**	**1,810.98**	**4,831.65**
	(2,654.32)	(4,015.21)	(6,669.53)
Other Assets	**10,062.45**	**10,314.89**	**20,377.34**
	(10,787.59)	(8,096.67)	(18,884.26)

Notes:

(i) The Company has common fixed assets located in India for producing goods for domestic as well as overseas markets. Hence separate figures for fixed assets/additions to fixed assets have not been furnished.

(ii) Previous Year figures are given in brackets.

Notes to financial statements for the year ended March 31, 2016

Note 40: Gratuity and other post employment benefit plans

Defined contribution plan

Contribution to Recognised Provident Fund

The Company has contributed Rs.121.94 lacs (March 31, 2015 Rs.127.68 lacs) towards provident fund during the year ended March 31, 2016.

Gratuity Plan

The Company has defined benefit gratuity plan. Gratuity is computed as 15 days salary for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The enterprises has funded the liability with Life Insurance Corporation (LIC). Company makes provision of such gratuity liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

The following tables summaries the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the Gratuity.

Statement of Profit and Loss

Net Employee benefits expense recognized in the employee cost **(Rs. in Lacs)**

Particulars	**March 31, 2016**	March 31, 2015
Current Service Cost	**22.47**	43.75
Interest Cost	**43.11**	47.00
Expected return on Plan Assets	**(1.72)**	(1.51)
Net Actuarial (gain)/ loss recognized during the year	**(39.03)**	21.90
Expenses recognized in the statement of profit and loss	**24.83**	111.14
Actual Return on Plan Assets	**1.31**	1.40

Balance Sheet

Details of Provision of Gratuity **(Rs. in Lacs)**

Particulars	**March 31, 2016**	March 31, 2015
Present Value of Defined Benefit Obligation	**538.68**	552.75
Fair Value of Plan Assets	**16.82**	19.10
Plan Liabilities	**(521.86)**	(533.65)

Changes in the Present Value of defined benefit obligation are as follows : **(Rs. in Lacs)**

Particulars	**March 31, 2016**	March 31, 2015
Opening defined benefit Obligation	**552.75**	524.16
Current Service Cost	**22.47**	43.75
Interest Cost	**43.11**	47.00
Benefits Paid (i) Directly paid by the enterprise (net of recovery)	**15.53**	(28.38)
(ii) Payment made out of the fund	**(55.74)**	(55.58)
Actuarial (Gain)/ Losses on obligation	**(39.44)**	21.80
Closing Defined Benefit Obligation	**538.68**	552.75

Changes in the fair value of Plan Assets are as follows **(Rs. in Lacs)**

Particulars	**March 31, 2016**	March 31, 2015
Opening fair value of Plan Assets	**19.10**	17.27
Expected Return	**1.72**	1.51
Contributions by the employer	**52.14**	56.01
Benefits Paid	**(55.74)**	(55.58)
Actuarial (Losses)	**(0.41)**	(0.11)
Closing fair value of Plan Assets	**16.82**	19.10

Notes to financial statements for the year ended March 31, 2016

The major categories of Plan Assets as a percentage of fair value of total Plan Assets are as follows :

Particulars	March 31, 2016	March 31, 2015
Investment with Insurer	100%	100%

The Principal assumption used in determining Gratuity obligations for the Company's plans are shown below :

Particulars	March 31, 2016	March 31, 2015
Discount Rate	7.70%	7.80%
Expected Return on Plan Assets	8.35%	9.00%
Employee Turnover	15 % for all ages	15 % for all ages
Rate of Increase in Compensation levels	8.50%	10.00%

The estimates of future salary increases, considered in Actuarial Valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on Assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligations is to be settled. The Company expects to contribute Rs 90.45 lacs to Gratuity Fund in the next year. (March 31, 2015: Rs. 90.90 lacs).

Amount for the current and previous four years are as follows : **(Rs. In Lacs)**

Particulars	31.03.2012	31.03.2013	31.03.2014	31.03.2015	31.03.2016
Defined Benefit Obligation	572.78	647.14	524.16	552.75	538.68
Plan Assets	60.08	23.54	17.27	19.10	16.82
(Deficit)	(512.70)	(623.60)	(506.89)	(533.65)	(521.86)
Experience Adjustments on plan liabilities- (loss) / Gain	(10.32)	(3.12)	(6.44)	15.56	(1.32)
Experience adjustments on Plan Assets- (loss) / Gain	0.34	(1.89)	(0.80)	(0.11)	(0.41)

Note 41 : (a) The asset of Rs.154.32 lacs (March 31, 2015: Rs.622.44 lacs) recognized by the Company as 'MAT Credit Entitlement' under 'Loans and Advances', in respect of MAT payment for current and earlier years, represents that portion of MAT liability which can be recovered and set off in subsequent periods based on the provisions of Section 115JAA of the Income Tax Act, 1961. The management based on the future profitability projections, is of the view that there would be sufficient taxable income in foreseeable future, which will enable the Company to utilize MAT credit assets.

(b) Provision for Income tax has been made after considering available various allowances and benefit based on expert's opinion.

Note 42 : Change in accounting estimates

During the year, the Company has re-assessed the remaining useful life of certain plant and machinery having gross block of Rs.205.38 lacs on technical evaluation and accordingly has provided additional depreciation of Rs.113.13 lacs on these assets to depreciate them fully during the year.

Had the Company continued to use the earlier basis of providing depreciation, the charge to the statement of profit and loss for the current year would have been lower by Rs.113.13 lacs and the net block of fixed assets would correspondingly have been higher by Rs.113.13 lacs.

Note 43 : Details of CSR expenditure are as follows: **Rs. in Lacs**

Particulars	March 31, 2016	March 31, 2015
a) Gross amount required to be spent by the Company during the year	73.32	47.07
b) Amount spent during the year on the following in cash :	73.70	47.07
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	73.70	47.07

Notes to financial statements for the year ended March 31, 2016

Note 44: Capitalisation of expenditure

During the year, the Company has capitalised the following expenses of revenue nature to the cost of capital work-in-progress. Consequently expenses disclosed under the respective notes are net of amount capitalised by the Company. The break up of expenditure is as follows:

Particulars	2015-16	2014-15
Travelling and conveyance	**6.83**	-
Interest Expense	**28.93**	-
Miscellaneous expenses	**0.70**	-
	36.46	-

Note 45: Disclosure required under Section 186 (4) of the Companies Act, 2013 **(Rs. in Lacs)**

(a) Particulars of Loan given:

Name of the Loanee	Loan given during the FY 2015-16	Loan Repaid during the FY 2015-16	Purpose
Trifa Lamps GmbH	715.50	715.50	Working capital faciltity for general business purpose.

There was no loan given in the previous financial year.

(b) Particulars of Guarantee given:

FY 2015-16 **(Rs. in Lacs)**

Name of the Entity	Guarantee given during the 2015-16	Outstanding Balance as on March 31, 2016	Purpose
Trifa Lamps Germany GmbH	1,126.43	1,126.43	To secure the credit facilities extended to Trifa Lamps Germany GmbH by Deustche Bank.

FY 2014-15 **(Rs. in Lacs)**

Name of the Entity	Guarantee given during the 2015-16	Outstanding Balance as on March 31, 2016	Purpose
Trifa Lamps Germany GmbH	1,215.19	1,215.19	To secure the credit facilities extended to Trifa Lamps Germany GmbH by Deustche Bank.

(c) Particulars of Investments made: **(Rs. in Lacs)**

Name of the Investee	Investment Made during the Financial Year 2015-16	Outstanding Balance as on March 31, 2016
Trifa Lamps Germany GmbH	3,116.32	3,119.97

There was no investment made in the previous financial year.

The details of investment of the Company are given in Note no. 12.

Note 46 : The Board of Directors of the Company at its meeting held on April 18, 2016 approved a draft scheme of amalgamation of the Company with Suprajit Engineering Limited, the holding company of the Company, subject to necessary approval of the shareholders of both the companies and other regulatory approvals.

Notes to financial statements for the year ended March 31, 2016

Note 47 : Previous Year's Figures

Previous year's figures have been regrouped/rearranged wherever considered necessary, to conform to current year's classifications.

As per our report of even date
For S.R. Batliboi & Co. LLP

Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Sd/-
per Anil Gupta
Partner
Membership No. 87921

Place : New Delhi
Date : 28.05.2016

For and on behalf of the board of
Directors of Phoenix Lamps Limited

Sd/-
Mohan Srinivasan Nagamangala
CEO & Director

Sd/-
K. Ajith Kumar Rai
Chairman

Sd/-
Shrabanti Mandol
Company Secretary

Annexure

AOC-I

(Pursuant to first Proviso to Subsection (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing Salient Features of the financial Statement of Subsidiaries/ associates companies / joint Ventures

PART "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amount in Rs.) (Rs. In Lacs)

Sl No.	Name of the Subsidiary	Luxlite Lamps S.A.R.L	Trifa Lamps Germany GmbH
1	Reporting period for the subsidiary concerned, if different from the holding Company	Not Applicable	Not Applicable
2	Reporting Currency and Exchange Rate as on the last date of relevant Financial Year in case of Foreign Subsidiaries	Reporting Currency –Euro Exchange Rate=75.0955	Reporting Currency –Euro Exchange Rate=75.0955
3	Share Capital	7,732.17	21.91
4	Reserves & Surplus	(5,985.09)	2,197.48
5	Total Assets(including Investments)	5,536.46	4,703.97
6	Total Liabilities(Other than Equity)	3,789.38	2,484.58
7	Investments	-	-
8	Turnover	9,286.04	11,502.15
9	Profit Before Taxation	2,378.66	667.28
10	Provision for Taxation	10.65	199.25
11	Profit after Taxation	2,368.00	468.03
12	Proposed Dividend	-	-
13	% Shareholding	100%	100%

Part "B": Associates and Joint Ventures

Statement Pursuant to Section 129(3) of the Companies Act, 2013, related to Associated Companies and Joint Venture

Sl No.	1	2	3
1	Name of Joint Venture	Not Applicable	Not Applicable
2	Latest Audited Balance Sheet Date	Not Applicable	Not Applicable
3	Shares of Joint Venture held by the Company on the year end	Not Applicable	Not Applicable
	No	Not Applicable	Not Applicable
	Amount of investment in Joint Venture	Not Applicable	Not Applicable
	Extend of Holding %	Not Applicable	Not Applicable
4	Description of how there is significant influence	Not Applicable	Not Applicable
5	Reason why the joint Venture is not consolidated	Not Applicable	Not Applicable
6	Net worth attributable to Shareholding as per latest audited Balance Sheet	Not Applicable	Not Applicable
7	Profit / Loss for the Year	Not Applicable	Not Applicable
	Considered in Consideration	Not Applicable	Not Applicable
	Not Considered in Consolidation	Not Applicable	Not Applicable

INDEPENDENT AUDITOR'S REPORT

To the Members of Phoenix Lamps Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Phoenix Lamps Limited ("hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 respective 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 control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated 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 of the consolidated state of affairs of the Group, as at March 31, 2016, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report, to the extent applicable, that:

(a) We / the other auditors whose reports we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

(b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

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

(d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company, none of the directors of the Holding Company is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company, refer to our separate report in "Annexure 1" to this report;

(g) With respect to the other matters to be included in the Auditor's 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 consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group.Refer Note 27to the consolidated financial statements;

  ii. The Group did not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses.

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

Other Matter

The accompanying consolidated financial statements include total assets of Rs. 9,183.97 lacs as at March 31, 2016, total revenues and net cash inflowsof Rs.18,741.59 lacs and Rs.708.65 lacs respectively for the year ended on that date, in respect of certain subsidiaries which have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates amounts and disclosures included in respect of such subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of such other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the Management.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

Sd/-
Per **Anil Gupta**
Partner
Membership Number: 87921

Place : New Delhi
Date : 28th May 2016

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF PHOENIX LAMPS LIMTED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Members of Phoenix Lamps Limited

In conjunction with our audit of the consolidated financial statements of Phoenix Lamps Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Phoenix Lamps Limited (hereinafter referred to as the "Holding Company") as of that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Holding Company, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditor's 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, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company has, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E / E300005

per Anil Gupta

Partner
Membership Number: 87921

Place: New Delhi
Date: 28th May 2016

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2016

(Rs. in Lacs)

PARTICULARS	NOTES	March 31, 2016	March 31, 2015
Equity and Liabilities			
Shareholders' Funds			
Share Capital	3	**2,801.93**	2,801.93
Reserves and Surplus	4	**11,449.71**	8,916.26
		14,251.64	11,718.19
Non-Current Liabilities			
Long Term Borrowings			
Long-Term Provisions	5	**671.38**	11.34
	6	**441.34**	452.10
Current Liabilities		**1,112.72**	463.44
Short Term Borrowings			
Trade Payables	7	**5,735.33**	5,596.76
- Total outstanding dues of micro enterprises and small enterprises	8	**367.89**	153.81
- Total outstanding dues of creditors other than micro enterprises and small enterprises		**2,992.33**	4,542.07
Other Current Liabilities	8	**1,118.19**	912.73
Short-Term Provisions	6	**512.74**	411.01
		10,726.48	11,616.38
		26,090.84	23,798.01
Assets			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9	**2,726.11**	2,794.13
Intangible Assets	10	**32.87**	318.16
Capital Work-in-Progress		**96.50**	38.35
Goodwill on Consolidation	2(b)	**2,385.04**	2,144.13
Deferred Tax Assets (net)	11	**204.67**	190.05
Long-Term Loans and Advances	12	**1,561.83**	995.05
Other Non-Current Assets	13	**3.95**	3.64
		7,010.97	6,483.51
Current Assets			
Inventories	14	**7,830.96**	7,950.68
Trade Receivables	15	**7,110.04**	5,807.08
Cash and Bank Balances	16	**1,431.01**	734.47
Short-Term Loans and Advances	12	**2,669.71**	2,816.17
Other Current Assets	13	**38.15**	6.10
		19,079.87	17,314.50
	Total	**26,090.84**	23,798.01
Summary of Significant Accounting Policies	2		

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

As per our report of even date

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Sd/-
per Anil Gupta
Partner
Membership No. 87921

Place : New Delhi
Date : 28.05.2016

For and on behalf of the board of Directors of Phoenix Lamps Limited

Sd/-
Mohan Srinivasan Nagamangala
CEO & Director

Sd/-
K. Ajith Kumar Rai
Chairman

Sd/-
Shrabanti Mandol
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in Lacs)

PARTICULARS	NOTES	Year Ended March 31, 2016	Year Ended March 31, 2015
Income			
Revenue from Operations (gross)	17	**34,745.70**	38,311.85
Less: Excise Duty		**(1,959.05)**	(1,726.90)
Revenue from Operations (net)		**32,786.65**	36,584.95
Other income	18	**867.75**	240.61
Total Revenue		**33,654.40**	36,825.56
Expenses			
Cost of materials	19	**12,569.05**	13,773.50
Purchase of traded goods	20	**6,153.93**	6,532.75
Decrease in inventories	20	**316.96**	515.05
Employee benefits expense	21	**4,753.95**	5,308.15
Finance costs	22	**530.49**	610.51
Depreciation and amortization expense	23	**911.24**	1,191.87
Other expenses	24	**4,782.65**	5,936.85
Total expenses		**30,018.27**	33,868.68
Profit before tax		**3,636.13**	2,956.88
Tax expense:			
Current tax		**(1,384.81)**	(1,082.28)
MAT Credit entitlement (including Nil for earlier years (March 31, 2015 : Rs.14.42 lacs)		**-**	14.42
Deferred tax credit		**14.63**	77.62
Tax adjustment for earlier years		**24.33**	(9.39)
Total tax (expense)		**(1,345.85)**	(999.63)
Profit for the year		**2,290.28**	1,957.25
Earnings Per Equity Share [nominal value of share Rs.10 (March 31, 2015: Rs.10)]			
Basic and diluted (Rs.)	25	**8.17**	6.99
Summary of Significant Accounting Policies	2		

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

As per our report of even date

For and on behalf of the board of Directors of Phoenix Lamps Limited

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Sd/-
Mohan Srinivasan Nagamangala
CEO & Director

Sd/-
K. Ajith Kumar Rai
Chairman

Sd/-
per Anil Gupta
Partner
Membership No. 87921

Sd/-
Shrabanti Mandol
Company Secretary

Place : New Delhi
Date : 28.05.2016

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

(Rs. in Lacs)

PARTICULARS	Year Ended March 31, 2016	Year Ended March 31, 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Profit before tax	3,636.13	2,956.88
Adjustments for:		
Foreign Currency Translation Reserve	(84.70)	160.78
Depreciation and amortization expense	911.24	1,191.87
Interest and factoring charges	410.31	529.16
Interest (income)	(29.41)	(40.41)
Loss/(gain) on disposal of fixed assets (net)	16.45	(13.61)
Provision for doubtful debts / advances written off (net)	-	10.36
Provision for doubtful debts written back (net)	(0.88)	-
Reversal of provision for obsolete inventories	(43.30)	(129.23)
Operating Profit before Working Capital changes	4,815.84	4,665.80
Movement in Working Capital		
(Increase) in Trade receivables	(1,303.07)	(140.53)
Decrease in Inventories	163.02	1,858.46
Decrease/(Increase) in Long term Loans and Advances	61.18	(8.39)
Decrease in Short term Loans and Advances	161.94	107.60
(Increase) in Other Current Assets	(3.86)	-
(Decrease)/Increase in Long Term Provisions	(10.76)	28.95
Increase/(Decrease) in Other Current Liabilities	66.54	(25.24)
(Decrease)/Increase in Short Term Provisions	(5.46)	1.58
(Decrease) in Trade Payables	(1,335.66)	(1,080.12)
Cash Generated from Operations	2,609.71	5,408.11
Income Taxes Paid (net)	(800.65)	(945.40)
Net Cash flow from operating activities (A)	1,809.06	4,462.71
Cash Flows from Investing Activities		
Purchase of tangible assets, intangible assets, CWIP and capital advances	(1,679.26)	(466.52)
Proceeds from disposal of fixed assets	26.81	30.42
Investments in bank deposits (having original maturity of more than three months)	(8.68)	(18.97)
Redemption/ maturity of bank deposits (having original maturity of more than three months)	7.63	116.19
Interest Received	1.22	35.51
Net Cash (used in) Investing Activities (B)	(1,652.28)	(303.37)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016 (CONTD.......)

PARTICULARS	Year Ended March 31, 2016	Year Ended March 31, 2015
Cash Flows from Financing Activities		
Proceeds from long term borrowings	**750.00**	15.46
Repayment of long term borrowings	**(1.35)**	(1,051.50)
Redemption of preference share capital	**-**	(1,316.00)
Proceeds from /(repayments of) short term borrowings (net)	**(462.19)**	781.74
Availment of packing credit foreign currency loan	**600.76**	-
Dividend paid including Dividend Distribution Tax	**(28.50)**	(3,563.84)
Interest and factoring charges paid	**(377.40)**	(544.62)
Net cash flow from / (used in) financing activities (C)	**481.32**	(5,678.76)
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	**638.10**	(1,519.42)
Cash and cash equivalents at the beginning of the year	724.66	2,315.50
Add/(Less): Foreign exchange translation reserve	57.70	(71.42)
Cash and cash equivalents at the end of the year	**1,420.46**	724.66
Components of cash and cash equivalents as at end of the year:		
Cash on Hand	**5.37**	5.68
Remittance in transit	**48.89**	-
Balances with banks		
- Current Accounts	**1,246.68**	406.63
- Cash Credit Accounts	**-**	164.40
- Fixed Deposit Accounts	**1.13**	1.06
- Unpaid Dividend Accounts*	**118.39**	146.89
	1,420.46	724.66

*These Balances are not available for the use by the Group.

Note: Cash Flow from operating activities for the year ended on March 31, 2016 is after considering Corporate Social Responsibility Expenditure of Rs.73.70 lacs (March 31, 2015 : Rs. 47.07 lacs).

As per our report of even date

For and on behalf of the board of Directors of Phoenix Lamps Limited

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Sd/-
Mohan Srinivasan Nagamangala
CEO & Director

Sd/-
K. Ajith Kumar Rai
Chairman

Sd/-
per Anil Gupta
Partner
Membership No. 87921

Sd/-
Shrabanti Mandol
Company Secretary

Place : New Delhi
Date : 28.05.2016

Notes to Consolidated financial statements for the year ended March 31, 2016

1 **Nature of Operation**

Phoenix Lamps Limited (hereinafter referred to as "the Parent Company") is a public company domiciled in India. The Parent Company is engaged in manufacturing of Auto Lamps and caters to both domestic and international markets.

2 **Statement of Significant Accounting Policies**

a) **Principles of Consolidation**

The Consolidated Financial Statements relate to Phoenix Lamps Limited ("Parent Company") and its Subsidiary Companies (hereinafter referred as the "Phoenix Group" or "the Group"). The Consolidated Financial Statements have been prepared on the following basis:

i) The consolidated financial statements of the Parent Company and its subsidiary companies have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after fully eliminating intra group balances and intra group transactions resulting in unrealized profits or losses, if any, as per Accounting Standard – 21, Consolidated Financial Statements, specified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014.

ii) The subsidiary companies which are included in the consolidation and the Parent Company's holding therein is as under:

Name of Subsidiary Company	Country of Incorporation	Percentage of Ownership as at March 31, 2016	Percentage of Ownership as at March 31, 2015
Subsidiary Company of Phoenix Lamps Limited			
International Lamps Holding Company S.A. (Refer note v)	Luxembourg	**Nil**	100.00%
Luxlite Lamps SARL (Refer note v)	Luxembourg	**100.00%**	Nil
Trifa Lamps Germany Gmbh (Refer note vi)	Germany	**100.00%**	16.67%
Subsidiary Company of International Lamps Holding Company S.A.			
Luxlite Lamps SARL (Refer note v)	Luxembourg	**Nil**	100.00%
Subsidiary Company of Luxlite Lamps SARL			
Trifa Lamps Germany Gmbh	Germany	**Nil**	83.33%

iii) Goodwill represents the difference between the Parent Company's share in the net worth of subsidiary company and the cost of acquisition at the time of making the investment in the subsidiary company. For this purpose, the Parent Company's share of net worth of the subsidiary company is determined on the basis of the latest financial statements of the subsidiary company prior to acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition. Goodwill arising on consolidation as per Accounting Standard (AS) 21 "Consolidated Financial Statements" is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

iv) The Parent Company follows the financial year ending March 31, 2016. The subsidiary companies namely Luxlite Lamps SARL and Trifa Lamps Germany Gmbh follow the same financial year. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company's separate financial statements. Differences in the accounting policies, if any, have been disclosed separately.

v) During the year ended March 31, 2016, the wholly owned subsidiary company namely International Lamps Holding Company S.A. was merged with its wholly owned subsidiary namely Luxlite Lamps SARL from March 30, 2016 with an exchange ratio of 0.0098:1 (received 91,125 equity shares of Euro 100 each fully paid up in exchange of 9,340,000 equity shares of Euro 1 each fully paid up) as arrived on the basis of the valuation report of an independent valuer. Accordingly with the requisite approval from the regulatory authorities, Luxlite Lamps SARL, Luxembourg became

Notes to Consolidated financial statements for the year ended March 31, 2016

wholly owned subsidiary of the Parent Company. Following the reverse merger, all assets and liabilities of the erstwhile holding company were transferred to the subsidiary company at book value without any cash consideration. Accounting effect of the said merger has been given from the effective date i.e. April 1, 2015.

vi) During the year ended March 31, 2016, the Parent Company has acquired the remaining shareholding i.e. 25,000 equity shares of Euro 1 each fully paid up in its downstream subsidiary Trifa Lamps Germany, GmbH (Trifa), from its another downstream subsidiary Luxlite Lamps SARL Luxembourg, for a consideration of Euro 41.61 lacs equivalent to Rs. 3,116.32 lacs based on a valuation performed by an independent valuer. Thus, Trifa became a wholly owned subsidiary of the Parent Company. The registration of the aforesaid number of 25,000 equity shares with the Registry of Commerce as required under the applicable laws in Germany is under process.

b) Computation of Goodwill (on Consolidation)

The Goodwill in the Consolidated Financial Statements represents the excess of the purchase consideration of investment over the Phoenix Lamps Limited's share in the net assets of its subsidiary. (Rs. in lacs)

Particulars	March 31, 2016	March 31, 2015
Consideration paid to erstwhile shareholder towards secondary purchase of equity shares of International Lamps Holding Company S.A. Luxembourg on December 3, 2012, now merged with its subsidiary company {Refer note 2(a)(v)} **(A)**	**25.04**	25.04
Fresh equity shares issued by Trifa Lamps Germany GmbH, Annweiler on November 27, 2012 **(B)**	**3.65**	3.65
Phoenix Lamps Limited's share in the net assets of the consolidated accounts of the subsidiary companies **(C)**	**(2,240.59)**	(2,240.59)
Goodwill (A+B-C)	**2,269.28**	2,269.28
Restated as at March 31, 2016 @ Rs. 75.0955 (March 31, 2015 @ 67.5104)/ Euro (Amount in Euro 31.76 lacs)	**2,385.04**	2,144.13

The Group has recognised and is carrying forward a goodwill of Rs. 2,385.04 lacs (March 31, 2015: Rs. 2,144.13 lacs) in respect of Luxlite Lamps SARL, Luxembourg, (LLSL) a wholly owned subsidiary of the Parent Company. Based on the financial statements of this subsidiary, its net worth is partially eroded. The subsidiary company has incurred losses during the current year (without considering profit on sale of equity shares of Trifa Lamps Germany Gmbh to the Parent Company). The Parent Company represents that the investment made in LLSL is strategic in nature and has resulted in increased business of the Parent Company on consolidated basis, therefore no impairment provision is required.

c) Basis of Preparation

The consolidated financial statements of the Group have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Group has prepared these consolidated financial statements to comply in all material respects with the accounting standards specified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year.

d) Use of Estimates

The preparation of consolidated financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting year and results for operations during the reporting year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future years.

e) Tangible Fixed Assets

Tangible Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The

Notes to Consolidated financial statements for the year ended March 31, 2016

cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Subsequent expenditure related to an item of tangible fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the consolidated statement of profit and loss for the period during which such expenses are incurred.

Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit and loss when the asset is derecognized.

f) Depreciation on tangible fixed assets

i) Leasehold land of the Parent Company is amortized on straight line basis over the period of lease ranging from 78 to 99 years.

ii) Leasehold improvements of the Parent Company are amortised on a straight line basis over the primary period of lease.

iii) Fixed Assets of the Parent Company costing Rs 5,000 or less are depreciated fully in the year of purchase.

iv) The Parent Company has reassessed the remaining useful life of certain plant and machinery having gross block of Rs. 205.38 lacs and accordingly has provided additional depreciation on these assets to depreciate them fully during the year (Refer Note 36).

v) Depreciation on all other tangible fixed assets of the Parent Company is provided on straight line basis at the rates arrived at based on estimated useful lives estimated by the management which are equal to the corresponding rates specified in Schedule II to the Companies Act, 2013.

vi) Depreciation on all tangible fixed assets in case of subsidiaries is provided on straight line method basis estimated useful life of such assets ranging between 3 to 11 years.

g) Intangible assets

Software

Softwares acquired separately by the Group are measured on initial recognition at cost. Following initial recognition, softwares are carried at cost less accumulated amortization and accumulated impairment losses, if any. Softwares are amortized on straight line basis over the estimated useful economic life not exceeding 5 years.

Goodwill purchased from another company

Costs relating to goodwill purchased at the time of acquisition of business from another company are recognised as Intangible Assets. These assets are recorded at cost, including incidental expenses and are amortized on a straight line basis, over their estimated useful lives of five (5) years.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of profit and loss when the asset is derecognized.

h) Impairment of Tangible and Intangible Fixed Assets

The Group assesses at each reporting date whether there is any indication of impairment of the carrying amount of the Group’s fixed assets. If any indication exists or when annual impairment testing is required, an asset’s recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and the value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Notes to Consolidated financial statements for the year ended March 31, 2016

Reversal of impairment losses recognized in prior years is recorded when there is an indication that the impairment losses recognized for the asset no longer exist or have decreased. However, the increase in carrying amount of an asset due to reversal of an impairment loss is recognized to the extent it does not exceed the carrying amount that would have been determined (net of depreciation) had no impairment loss been recognized for the asset in prior years.

i) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Parent Company has no obligation, other than the contribution payable to the provident fund. The Parent Company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation on Projected Unit Credit (PUC) method at the end of each year. The Parent Company has formed a Gratuity Fund, maintained by the Life Insurance Corporation of India (LIC). The difference between actuarial valuation of gratuity of employees and fund balance with LIC at year end is provided in books. Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss and are not deferred.

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Parent Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the PUC method at the year-end. Actuarial gains/losses are immediately taken to the consolidated statement of profit and loss and are not deferred. The Parent Company presents the leave as a current liability in the consolidated balance sheet since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Retirement benefit in form of social security paid by the subsidiary companies is a defined contribution scheme. The subsidiary companies do not have any obligation, other than the contribution payable to the respective funds. The contributions are charged to the consolidated statement of profit and loss of the year when contribution to the respective fund is due.

Pension is a defined benefit obligation. One of the subsidiary company registered outside India, accrues for the liability based on corresponding commitments from the Subsidiary Company to employees regarding the granting of retirement and surviving dependants' pensions. Adjustments for the business year have been made in accordance with the pension evaluation reports as at year end. Evaluations follow the German Act to Modernize Accounting Law.

j) Foreign Currency Translation

Initial Recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the exchange rate prevailing at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction, and non monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange Difference:

Exchange differences arising on the settlement of monetary items or on restatement of reporting Groups' monetary items

Notes to Consolidated financial statements for the year ended March 31, 2016

at rates different from those at which they were initially recorded during the year, or reported in previous consolidated financial statements, are recognized as income or as expenses in the year in which they arise.

Forward exchange contracts entered into to hedge foreign currency risk of an existing asset/ liability

The premium or discount arising at the inception of forward exchange contract is amortized and recognized as an expense/ income over the life of the contract. Exchange differences on such contracts are recognized in the consolidated statement of profit and loss in the period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such forward exchange contract is also recognized as income or as expense for the period.

Translation of integral and non-integral foreign operation

The Group classifies all its foreign operations as either “integral foreign operations” or “non-integral foreign operations.”

The consolidated financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Group itself.

The assets and liabilities of a non-integral foreign operation are translated into the reporting currency at the exchange rate prevailing at the reporting date. Their consolidated statement of profit and loss are translated at exchange rates prevailing at the dates of transactions or weighted average weekly rates, where such rates approximate the exchange rate at the date of transaction. The exchange differences arising on translation are accumulated in the foreign currency translation reserve. On disposal of a non-integral foreign operation, the accumulated foreign currency translation reserve relating to that foreign operation is recognized in the consolidated statement of profit and loss.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classification are applied from the date of the change in the classification.

k) Inventory Valuation:

Inventories are valued as follows:

Raw materials, stores and spares, consumables, packing materials and fuels :

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products, in which they will be incorporated, are expected to be sold at or above cost. Cost is determined on transaction moving weighted average basis.

Work in Progress and Finished Goods :

Lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty where ever applicable. Cost is determined on weighted average basis.

Traded goods:

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Scrap :- Net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

l) Leases:

Where the Group is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the consolidated statement of profit and loss on a straight-line basis over the lease term.

m) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Notes to Consolidated financial statements for the year ended March 31, 2016

Sale of goods

Revenue from sale of goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The Group collects sales taxes and value added taxes (VAT) on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross) and not the entire amount of liability arising during the year.

Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head “other income” in the consolidated statement of profit and loss.

n) Income Taxes

Tax expense comprises current and deferred tax. Current income-tax for entities incorporated in India is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income-tax for entities incorporated outside India is measured at the amount expected to be paid to the tax authorities in accordance with requirements of the respective country of incorporation.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Group has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each reporting date, the Group re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a year is charged to the consolidated statement of profit and loss as current tax. The Parent Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Parent Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Parent Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the consolidated statement of profit and loss and shown as “MAT Credit Entitlement.” The Parent Company reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Parent Company does not have convincing evidence that it will pay normal tax during the specified period.

o) Provisions:

A provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Warranty Provisions

Provisions for warranty related costs are recognised when the product is sold. Provision is based on historical experience and future estimate of claims by the management. The estimate of such warranty related costs is revised annually.

p) Borrowing Cost

Borrowing cost includes interest and amortization of ancillary costs incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

q) Earnings Per Share:

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

r) Segment reporting

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole.

s) Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Group does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

t) Cash and cash equivalents

Cash and cash equivalents for the purposes of consolidated cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

u) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the Parent Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the consolidated statement of profit and loss over the years necessary to match them with the related costs, which they are intended to compensate. Where the grant or subsidy relates to an asset, its value is deducted in arriving at the carrying amount of the related asset.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of the shareholders' funds.

v) Derivative instruments

In accordance with the ICAI Announcement, derivative contracts, other than foreign currency forward contracts covered under Accounting Standard-11, are marked to market on a individual basis, and the net loss, if any, after considering the offsetting effect on the underlying hedge item, is charged to the Consolidated statement of profit and loss and the net gain, if any, is ignored.

Notes to Consolidated financial statements for the year ended March 31, 2016

Note 3 : Share Capital **(Rs. in Lacs)**

Particulars	March 31, 201t6	March 31, 2015
Authorized Shares		
41,000,000 (March 31, 2015: 41,000,000) equity shares of Rs. 10/- each	**4,100.00**	4,100.00
2,900,000 (March 31, 2015: 2,900,000) redeemable preference shares of Rs. 100/- each	**2,900.00**	2,900.00
	7,000.00	7,000.00
Issued, Subscribed and Fully Paid-Up Shares		
28,019,300 (March 31, 2015: 28,019,300) equity shares of Rs. 10/- each	**2,801.93**	2,801.93
Total	**2,801.93**	2,801.93

(a) Terms/ rights attached to equity shares:

The Parent Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The Parent Company declares and pays dividends in Indian rupees.

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

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Equity Shares

Particulars	March 31, 2016		March 31, 2015	
	No. of shares	(Rs. in lacs)	No. of shares	(Rs. in lacs)
At the beginning of the year	**28,019,300**	**2,801.93**	28,019,300	2,801.93
Add : Shares issue during the year	-	-	-	-
Outstanding at the end of the year	**28,019,300**	**2,801.93**	28,019,300	2,801.93

Preference Shares

Particulars	March 31, 2016		March 31, 2015	
	No. of shares	(Rs. in lacs)	No. of shares	(Rs. in lacs)
At the beginning of the year	-	-	1,316,000	1,316.00
Less: Redeemed during the year	-	-	(1,316,000)	(1,316.00)
Outstanding at the end of the year	-	-	-	-

(c) Shares held by Holding Company

Particulars	March 31, 2016	March 31, 2015
Suprajit Engineering Limited, the holding company 17,352,176 (March 31, 2015: Nil) equity shares of Rs. 10 each fully paid up *	**1,735.22**	-
Argon India Limited, erstwhile holding company Nil (March 31, 2015: 13,871,344) equity shares of Rs. 10 each fully paid up	**-**	1,387.13
Total	**1,735.22**	**1,387.13**

(d) Details of shareholders holding more than 5% shares in the Company

Particulars	March 31, 2016		March 31, 2015	
	No. of shares	% holding in the class	No. of shares	% holding in the class
Equity shares of Rs. 10 each fully paid				
(i) Suprajit Engineering Limited, Holding company *	**17,352,176**	**61.93**	-	-
(ii) Argon India Limited, Foreign Promoter and erstwhile holding company	-	-	13,871,344	49.51
(iii) Argon South Asia Limited, Foreign Promoter	-	-	3,465,811	12.37

Notes to Consolidated financial statements for the year ended March 31, 2016

* The promoters of the Parent Company have been changed upon acquisition of 51% stake by Suprajit Engineering Limited on June 18, 2015 and subsequently 0.05% through Open Offer. Consequent to this acquisition, Parent Company has become subsidiary of Suprajit Engineering Limited. Suprajit Engineering Limited has further acquired 10.88% stake in the Parent Company on October 9, 2015 pursuant to share purchase agreement dated May 6, 2015.

As per records of the Parent Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Note 4 : Reserves And Surplus **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Securities premium account (As per the last consolidated financial statements)	**3,733.86**	3,733.86
Capital subsidy (As per the last consolidated financial statements)	**40.00**	40.00
Foreign Currency Translation Reserve (As per the last consolidated financial statements)	**(987.61)**	(482.09)
Add: Current year translation adustments	**243.17**	(505.52)
Closing Balance	**(744.44)**	(987.61)
Capital redemption reserve (As per the last consolidated financial statements)	**2,937.00**	1,621.00
Add: Amount transferred from surplus balance in consolidated statement of profit and loss	**-**	1,316.00
Closing Balance	**2,937.00**	2,937.00
General reserve (As per the last consolidated financial statements)	**925.22**	925.22
Surplus in the consolidated statement of profit and loss		
As per the last consolidated financial statements	**2,267.79**	1,626.54
Add: Profit for the year	**2,290.28**	1,957.25
Amount transferred to capital redemption reserve	**-**	1316.00
Net surplus in the consolidated statement of profit and loss	**4,558.07**	2,267.79
Total Reserves and Surplus	**11,449.71**	8,916.26

Note 5 -Long Term Borrowings **(Rs. in Lacs)**

Particulars	Non-current portion		Current maturities	
	March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015
Term Loan				
Indian rupee loan from a bank (secured) (refer note i)	**661.77**	-	**88.23**	-
Other loans and advances				
Car finance loan from a bank (secured) (refer note ii)	**9.61**	11.34	**3.00**	2.62
	671.38	11.34	**91.23**	2.62
The above amount includes				
Secured borrowings	**671.38**	11.34	**91.23**	2.62
Amount disclosed under the head "other current liabilities" (refer note 8)	**-**	-	**(91.23)**	(2.62)
	671.38	11.34	**-**	-

i. Indian rupee loan of Rs. 750.00 lacs (including current maturities of Rs. 88.23 lacs) (March 31, 2015: Nil and Nil respectively) carries interest @ 11.25% p.a. The loan is repayable in 17 quarterly installments of Rs. 44.12 lacs each, starting from the end of 12th month from the date of drawdown. The loan is secured by exclusive charge on the plant and machinery purchased/to be purchased from the said term loan and second pari-passu charge on immovable and movable fixed assets of the Parent Company situated at Plot No. 59 A, 59 D & A1 at Noida.

Notes to Consolidated financial statements for the year ended March 31, 2016

ii. Car finance loan to the extent of Euro 0.17 lac equivalent to Rs. 12.61 lacs carries interest @ 2.90% p.a. and is repayable in 29 equal monthly installment of Euro 369 equivalent to Rs. 0.28 lac each (including interest). At the end of 29th installment, lumpsum amount of Euro 0.07 lac equivalent to Rs. 5.21 lacs is due. The loan is secured by hypothecation of vehicles purchased out of the proceeds of the loan of a subsidiary company.

Note 6 : Provisions **(Rs. in Lacs)**

Particulars	Long Term		Short Term	
	March 31, 2016	March 31, 2015	**March 31, 2016**	March 31, 2015
Provision for employee benefits				
Leave encashment	**-**	-	**157.95**	187.26
Gratuity (Refer note 33)	**431.40**	442.75	**90.46**	90.90
Pension obligations	**9.94**	9.35	**-**	-
	441.34	452.10	**248.41**	278.16
Other provision				
Provision for Post-sales warranties *	**-**	-	**32.00**	32.00
Provision for income tax (net)	-	**-**	**208.04**	100.85
Provision for mark-to-market losses on forward contracts	**-**	-	**24.29**	-
	-	-	**264.33**	132.85
Total	**441.34**	452.10	**512.74**	411.08

*The Parent Company is carrying post sale warranties provision for Auto Lamps based on historical experience and future estimate of the claims by the management and it is expected that significant portion of these costs will be incurred in the next financial year.

The movement in the provision for post-sales warranties is as follows **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Balance at the beginning of the year	**32.00**	32.00
Recognized during the year*	**87.14**	60.96
Utilised during the year	**(87.14)**	(60.96)
Balance at the end of the year	**32.00**	32.00

* Rs. 87.14 lacs (March 31, 2015: Rs. 60.96 lacs) debited in sales.

Note 7 : Short Term Borrowings **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Working Capital facilities:		
Cash Credit Facilities from banks in Indian Rupees (secured) (refer note i)	**747.29**	3,077.87
Working Capital Loan from a Bank in foreign currency (secured) (refer note ii)	**563.22**	675.10
Bill Discounting from banks in Indian Rupees (secured) (refer note iii)	**1,401.13**	448.30
Bill Discounting from others in foreign currency (unsecured) (refer note iv)	**1,823.78**	1,395.49
Packing credit foreign currency loan from a bank (secured) (refer note v)	**600.76**	-
Overdraft from banks (secured) (refer note vi)	**599.15**	-
	5,735.33	5,596.76
The above amount includes:		
Secured borrowings	**3,911.55**	4,201.27
Unsecured borrowings	**1,823.78**	1,395.49

Notes to Consolidated financial statements for the year ended March 31, 2016

i. Cash credit facilities from banks are secured by first pari-passu charge by way of hypothecation of entire Current Assets of the Parent Company, both present and future situated at Plot No. 59 A, 59 D & A1 at Noida and further secured by way of first pari passu on movable and immovable fixed assets (except fixed assets on which exclusive charge has been created towards term loan availed by the Parent Company) of the Parent Company situated at Plot No. 59 A, 59 D & A1 at Noida. The cash credit facilities are repayable on demand and carry interest @10.75% p.a.

ii. Working Capital Loan / Cash Credit facility from a Bank namely Deustche Bank AG is secured against inventory of Trifa Lamps Germany Gmbh, a subsidiary company. These facilities are further secured by way of a standby letter of credit from Standard Chartered Bank (March 31, 2015: Axis Bank, New Delhi) amounting to Euro 15.00 lacs (Equivalent to Rs. 1,126.43 lacs) (March 31, 2015: Euro 18.00 lacs (equivalent to Rs. 1,215.19 lacs)) provided by the Parent Company. The facility carries interest rate of 1.80% p.a. (March 31, 2015: ranging between 1.90 % to 2.60% p.a.).

iii. Bill discounting facilities from banks carry interest @ 9.75% to 10.15% p.a. Bill discounting facility from a bank of Rs. 365.90 lacs is secured by first pari-passu charge by way of hypothecation of entire current assets of the Parent Company, both present and future situated at Plot No. 59 A, 59 D & A1 at Noida and further secured by way of first pari-passu charge on movable and immovable fixed assets of the Parent Company, (except fixed assets on which exclusive charge has been created towards term loan situated at Plot No. 59 A, 59 D & A1 at Noida). Bill discounting facility from a bank of Rs. 1,035.23 lacs is secured by second charge by way of hypothecation of entire current assets of the Parent Company, both present and future situated at Plot No. 59 A, 59 D & A1 at Noida and further secured by way of second pari-passu charge on movable and immovable fixed assets (except fixed assets on which exclusive charge has been created towards term loan availed by the Parent Company) of the Parent Company situated at Plot No. 59 A, 59 D & A1 at Noida.

iv. Bill discounting from others in foreign currency represent receivables of Luxlite Lamps SARL, a subsidiary company, assigned to a factoring firm that does not take over the default risk.

v. Packing credit foreign currency loan from a bank is for a term not exceeding a period of 180 days from the drawdown date and carries interest @ 3.00% p.a. These borrowings are secured by first pari-passu charge by way of hypothecation of entire current assets of the Parent Company, both present and future situated at Plot No. 59 A, 59 D & A1 at Noida and further secured by way of second pari-passu charge on movable and immovable fixed assets (except fixed assets on which exclusive charge has been created towards term loan availed by the Parent Company) of the Parent Company situated at Plot No. 59 A, 59 D & A1 at Noida.

“vi. Overdraft facilities from banks are repayable on demand and carry interest @10.50% to 10.75% p.a. These borrowings are secured by way of first pari-passu charge by way of hypothecation of entire current assets of the Parent Company, both present and future situated at Plot No. 59 A, 59 D & A1 at Noida and further secured by:

(a) first pari-passu charge on movable and immovable fixed assets (except fixed assets on which exclusive charge has been created towards term loan availed by the Parent Company) of the Parent Company situated at Plot No. 59 A, 59 D & A1 at Noida for amount Rs. 598.78 lacs and;

(b) second pari-passu charge on movable and immovable fixed assets (except fixed assets on which exclusive charge has been created towards term loan availed by the Parent Company) of the Parent Company situated at Plot No. 59 A, 59 D & A1 at Noida for amount Rs. 0.37 lac.

Notes to Consolidated financial statements for the year ended March 31, 2016

Note 8 : Trade Payables and Other Current Liabilities **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Trade payables		
- total outstanding dues of micro enterprises and small enterprises (Refer note 32 for details of dues to micro and small enterprises)	**367.89**	153.81
- total outstanding dues of creditors other than micro enterprises and small enterprises (including acceptances* of Nil, March 31, 2015: Rs. 1,497.20 lacs)	**2,992.33**	4,542.07
	3,360.22	4,695.88
Other current liabilities:		
Current maturities of long term borrowings (Refer note 5)	**91.23**	2.62
Interest accrued but not due on borrowings	**20.42**	0.03
Interest on income tax payable	**1.57**	-
Interest due on micro enterprises and small enterprises (Refer note 32)	**10.95**	-
Advances from customers and their credit balances	**166.87**	93.93
Investor Education and Protection Fund will be credited by following amount (as and when due):		
Unpaid dividend	**118.39**	146.89
Security deposits	**0.75**	1.25
Payable towards capital goods	**65.59**	19.69
Accrued employee liabilities	**490.61**	470.41
Sales tax/ VAT payable	**0.54**	7.07
Excise Duty/Custom Duty payable	**19.98**	19.19
Service tax payable	**0.56**	3.61
Provident Fund / ESI payable	**26.58**	26.68
TDS payable	**41.57**	13.44
Deferred premium on forward contracts**	**4.52**	-
Unearned Income	**14.52**	-
Payroll and church tax payable	**30.47**	53.91
Other liabilities	**13.07**	54.01
	1,118.19	912.73
	4,478.41	5,608.61

* Acceptances represented amount outstanding under Purchase Bill Discounting Facility of Rs. 1,500 lacs under Receivable Finance Scheme of Small Industries Development Bank of India (SIDBI). The said facility was secured by second pari passu charge on all movable and immovable fixed assets of the Parent Company situated at Plot No. 59 A, 59 D & A1 at Noida and residual charge on the current assets of the Parent Company. The said facility has been discontinued during the year and there is no outstanding balance as at the year end.

**The unamortised premium on outstanding forward contracts is being carried forward to be credited to the statement of profit and loss in subsequent year.

Notes to consolidated financial statements for the year ended March 31, 2016

Note 9 : Tangible Assets

(Rs. in Lacs)

Particulars	Leasehold Land	Buildings	Plant & Machinery	Furniture & Fixtures	Office Equipments	Computers	Vehicles	Total
Cost								
At 1 April 2014	**128.11**	**1,268.64**	**12,744.44**	**138.11**	**242.11**	**318.87**	**35.18**	**14,875.46**
Additions	-	-	205.04	0.27	15.98	4.11	18.16	243.56
Disposals	-	-	766.58	25.89	68.25	18.00	6.64	885.36
Foreign Currency Translation Reserve	-	-	(10.60)	-	(15.06)	-	(2.49)	(28.15)
At 31 March 2015	**128.11**	**1,268.64**	**12,172.30**	**112.49**	**174.78**	**304.98**	**44.21**	**14,205.51**
Additions	**-**	**-**	**504.18**	**3.01**	**27.33**	**4.93**	**30.50**	569.95
Disposals	**-**	**11.97**	**60.90**	**-**	**6.04**	**0.23**	**35.17**	114.31
Foreign Currency Translation Reserve	**-**	**-**	**5.55**	**-**	**8.56**	**-**	**1.86**	15.97
At 31 March 2016	**128.11**	**1,256.67**	**12,621.13**	**115.50**	**204.63**	**309.68**	**41.40**	**14,677.12**
Depreciation								
At 1 April 2014	**21.34**	**575.79**	**10,503.06**	**121.04**	**122.53**	**282.51**	**20.07**	**11,646.34**
Charge for the year	1.64	41.10	479.18	13.09	75.27	25.07	6.61	641.96
Disposals	-	-	753.54	25.89	68.24	17.87	3.01	868.55
Foreign Currency Translation Reserve	-	-	(1.76)	-	(6.19)	-	(0.42)	(8.37)
At 31 March 2015	**22.98**	**616.89**	**10,226.94**	**108.24**	**123.37**	**289.71**	**23.25**	**11,411.38**
Charge for the year (Refer note 36)	**1.64**	**41.00**	**521.50**	**1.30**	**23.23**	**10.44**	**5.31**	**604.42**
Disposals	**-**	**4.76**	**57.96**	**-**	**4.25**	**0.23**	**3.85**	**71.05**
Foreign Currency Translation Reserve	**-**	**-**	**1.58**	**-**	**4.29**	**-**	**0.39**	**6.26**
At 31 March 2016	**24.62**	**653.13**	**10,692.06**	**109.54**	**146.64**	**299.92**	**25.10**	**11,951.01**
Net Block								
At 31 March 2015	105.13	651.75	1,945.36	4.25	51.41	15.27	20.96	2,794.13
At 31 March 2016	**103.49**	**603.54**	**1,929.07**	**5.96**	**57.99**	**9.76**	**16.30**	**2,726.11**

Notes:

(1) The Parent Company has taken a property A1, Noida on lease for 78 Years from the Noida Authority. The amount of Rs. 128.11 lacs paid by the Parent Company at the time of entering into lease agreement is disclosed as 'Leasehold Land' above.

(2) Buildings include building of Gross Block Rs. 590.64 lacs, WDV Rs.207.95 lacs (March 31, 2015 : Gross Block of Rs 590.64 lacs, WDV of Rs.226.41 lacs) constructed on leased land belonging to Noida Special Economic Zone. During the year, depreciation of Rs.18.46 lacs (March 31, 2015: Rs.18.46 lacs) has been charged on this building.

(3) Capital work-in-progress includes capitalization of expenditure amounting Rs. 36.46 lacs (March 31, 2015 : Nil) (refer Note no. 38)

Notes to Consolidated financial statements for the year ended March 31, 2016

Note 10 : Intangible Assets **(Rs. in Lacs)**

Particulars	Goodwill purchased from another company	Software	Total
Gross block			
At 1 April 2014	**3,426.91**	**349.68**	**3,776.59**
Purchase	-	31.70	31.70
Disposals	-	-	-
Foreign Currency Translation Reserve	(625.24)	(5.96)	(631.20)
At 31 March 2015	**2,801.67**	**375.42**	**3,177.09**
Purchase	-	0.98	0.98
Disposals	-	-	-
Foreign Currency Translation Reserve	314.78	3.00	317.78
At 31 March 2016	**3,116.45**	**379.40**	**3,495.85**
Amortisation			
At 1 April 2014	2,537.72	303.88	2,841.60
Charge for the year	526.79	23.12	549.91
Disposals	-	-	-
Foreign Currency Translation Reserve	(530.72)	(1.86)	(532.58)
At 31 March 2015	**2,533.79**	**325.14**	**2,858.93**
Charge for the year	**286.94**	**19.88**	**306.82**
Disposals	-	-	-
Foreign Currency Translation Reserve	295.72	1.51	297.23
At 31 March 2016	**3,116.45**	**346.53**	**3,462.98**
Net Block			
At 31 March 2015	267.88	50.28	318.16
At 31 March 2016	**-**	**32.87**	**32.87**

Note 11 : Deferred tax assets **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Deferred tax assets		
Effect of expenditure debited to statement of profit and loss in the current/earlier years but allowable for tax purposes in the following years	**291.14**	315.73
Provision for doubtful debts	**1.81**	1.67
Provision for obsolete inventories	**66.10**	81.09
Provision for Mark to Market Losses on Forward Contracts	**8.41**	-
Gross deferred tax assets	**367.46**	398.49
Deferred tax liability		
Fixed Assets: Impact of difference between tax depreciation and depreciation /amortisation charged for the financial reporting	**162.79**	208.44
Gross deferred tax liability	**162.79**	208.44
Net deferred tax assets	**204.67**	190.05

Notes to Consolidated financial statements for the year ended March 31, 2016

Note 12 : Loans And Advances (Unsecured & Considered Good) **(Rs. in Lacs)**

Particulars	Non-current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Capital advances	**1,271.10**	175.02	**-**	-
(A)	**1,271.10**	175.02	**-**	-
Security deposits	**125.65**	111.57	**2.20**	1.35
(B)	**125.65**	111.57	**2.20**	1.35
Advances recoverable in cash or in kind	**-**	-	**33.99**	27.79
(C)	**-**	-	**33.99**	27.79
Other loans and advances				
Advance income taxes/tax deducted at source (Net of provision of Income tax)	**-**	-	**2,147.56**	2,132.08
Prepaid expenses	**-**	-	**123.75**	214.39
MAT credit entitlement (Refer note 34(a))	**154.32**	622.44	**-**	-
Loans and advances to employees	**-**	-	**6.92**	7.79
Balances with statutory / government authorities	**10.76**	86.02	**355.29**	432.77
(D)	**165.08**	708.46	**2,633.52**	2,787.03
Total (A+B+C+D)	**1,561.83**	995.05	**2,669.71**	2,816.17

Note 13 : Other Assets (Unsecured, Considered Good) **(Rs. in Lacs)**

Particulars	Non-current		Current	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Non current bank balances (refer note 16)	**3.95**	3.64	-	-
Forward contracts receivable	**-**	-	**3.86**	-
Interest receivable	**-**	-	**34.29**	6.10
Total	**3.95**	3.64	**38.15**	6.10

Note 14 : Inventories (valued at lower of cost or net realizable value) **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Raw materials (includes in transit Rs 275.46 lacs (March 31, 2015: Rs. 169.98 lacs) (Refer note 19)	**1,607.16**	1,752.80
Fuels	**18.75**	27.16
Consumables	**29.38**	17.13
Packing materials	**381.81**	336.01
Stores and spares	**102.29**	219.75
Finished goods (Refer note 20)	**2,871.55**	2,790.13
Work in progress (Refer note 20)	**1,077.64**	1,472.08
Traded goods (Refer note 20)	**1,891.44**	1,560.11
Scrap	**41.95**	9.82
	8,021.97	8,184.99
Less:- Provision for obsolete inventories	**(191.01)**	(234.31)
Total	**7,830.96**	7,950.68

Notes to Consolidated financial statements for the year ended March 31, 2016

Note 15 : Trade Receivables **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Current		
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	-	1.97
Unsecured, considered doubtful	7.23	9.57
	7.23	11.54
Provision for doubtful receivables	7.23	9.57
	-	1.97
Other receivables*		
Unsecured, considered good	7,110.04	5,805.11
Unsecured, considered doubtful	6.64	4.70
	7,116.68	5,809.81
Provision for doubtful receivables	6.64	4.70
	7,110.04	5,805.11
Total	7,110.04	5,807.08

*A subsidiary company has sold major part of its receivables to a factoring firm that also takes over the default risk. The selling of receivables has not been disclosed to the customers. Trade receivables above are netted off with amount received from factoring firm amounting to Euro 5.22 lacs equivalent to Rs. 392.19 lacs (March 31, 2015: Euro 13.30 lacs equivalent to Rs. 897.81 lacs).

Note 16 : Cash and Bank balances **(Rs. in Lacs)**

Particulars	Non-current		Current	
Cash and cash equivalents	**March 31, 2016**	March 31, 2015	**March 31, 2016**	March 31, 2015
Balances with banks:				
in current accounts	-	-	1,246.68	406.63
in cash credit accounts	-	-	-	164.40
as deposits with original maturity of less than three months**	-	-	1.13	1.06
in unpaid dividend accounts*	-	-	118.39	146.89
Remittance in transit	-	-	48.89	-
Cash on hand	-	-	5.37	5.68
Total (A)	-	-	1,420.46	724.66
Other bank balances				
Deposits with remaining maturity of less than 12 months**	-	-	4.24	3.96
Deposits with remaining maturity of more than 12 months**	3.95	3.64	6.31	5.85
	3.95	3.64	10.55	9.81
Less : Amount disclosed under non current assets (Refer note 14)	(3.95)	(3.64)	-	-
Total (B)	-	-	10.55	9.81
Total (A+B)	-	-	1,431.01	734.47

*Deposits aggregating to Rs. 15.63 lacs (March 31, 2015 : Rs. 14.51 lacs) are in the nature of margin money kept with banks against Bank Guarantees given

**These balances are not available for the use by the Group as they represent corresponding unclaimed dividend liabilities.

Notes to Consolidated financial statements for the year ended March 31, 2016

Note 17 : Revenue from operations **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Revenue from operations		
Sale of products:		
Finished goods	**26,992.10**	29,557.19
Traded goods	**7,702.85**	8,658.97
Other operating revenue:		
Scrap Sales	**50.75**	95.69
Revenue from operations (gross)	**34,745.70**	38,311.85
Less: Excise duty	**(1,959.05)**	(1,726.90)
Revenue from operations (net) Total	**32,786.65**	36,584.95

Excise duty on sales amounting to Rs. 1,959.05 lacs (March 31, 2015: Rs. 1,726.90 lacs) has been reduced from sales in consolidated statement of profit and loss and excise duty on increase in stock amounting to Rs. 42.37 lacs (March 31, 2015: Rs. 0.90 lac) has been considered as expense in note 24 of consolidated financial statements.

Detail of products sold **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Finished Goods		
Auto Lamps	**26,992.10**	29,557.19
	26,992.10	29,557.19
Traded Goods		
Stop and Tail Lamps	**108.45**	42.82
Auto Lamps	**7,594.40**	8,616.15
	7,702.85	8,658.97

Note 18 : Other Income **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Interest income on:		
- Fixed Deposits	**1.26**	5.41
- Income tax refund	**20.59**	-
- Others	**7.56**	35.00
Foreign exchange gain (net)	**493.57**	-
Provision for doubtful debts written back (net) {net of write off of Rs. 0.51 lac (March 31, 2015: Nil)}	**0.88**	-
Reversal of provision for obsolete inventories	**43.30**	129.23
Unspent liabilities written back	**112.57**	27.94
Gain on disposal of fixed assets (net)	**-**	13.61
Miscellaneous income	**188.02**	29.42
TOTAL	**867.75**	240.61

Note 19 : Cost of materials consumed **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Raw materials *	**10,541.56**	11,565.65
Fuels	**742.26**	774.94
Consumables	**100.15**	88.37
Packing Materials	**1,185.08**	1,344.54
Total	**12,569.05**	13,773.50

Notes to Consolidated financial statements for the year ended March 31, 2016

(Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
*** Details of raw materials consumed**		
Glass Tube	**1,848.69**	1,967.62
Lamp Base Parts	**2,999.04**	3,336.71
Imported Bulb	**204.48**	117.12
T. Filament	**820.45**	936.16
Others	**4,668.90**	5,208.04
	10,541.56	11,565.65
Details of inventory		
Glass Tube	**645.90**	632.47
Lamp Base Parts	**310.62**	291.37
Imported Bulb	**71.42**	35.18
T. Filament	**61.93**	98.46
Others	**517.29**	695.32
	1,607.16	1,752.80

Note 20 : Decrease in inventories (Rs. in Lacs)

Particulars		March 31, 2016	March 31, 2015	(Increase) / decrease
Opening Stock				
Finished goods		**2,790.13**	3,326.07	**(535.94)**
Traded goods		**1,560.11**	2,414.23	**(854.12)**
Work in progress		**1,472.08**	1,382.24	**89.84**
Scrap		**9.82**	6.06	**3.76**
	Total (A)	**5,832.14**	7,128.60	**(1,296.46)**
Closing stock*				
Finished goods		**(2,871.55)**	(2,790.13)	**(81.42)**
Traded goods		**(1,891.44)**	(1,560.11)	**(331.33)**
Work in progress		**(1,077.64)**	(1,472.08)	**394.44**
Scrap		**(41.95)**	(9.82)	**(32.13)**
	Total (B)	**(5,882.58)**	(5,832.14)	**(50.44)**
	C=(B-A)	**(50.44)**	1,296.46	
Foreign exchange fluctuation reserve	**D**	**367.40**	(781.41)	
Decrease in inventories	**(C+D)**	**316.96**	515.05	

(Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
Details of purchase of traded goods		
Stop & Tail Lamps	**89.46**	39.33
Auto Lamps	**6,064.47**	6,493.42
	6,153.93	6,532.75

Notes to Consolidated financial statements for the year ended March 31, 2016

(Rs. in Lacs)

Details of inventory	March 31, 2016	March 31, 2015
Finished goods		
Auto Lamps	**2,871.55**	2,790.13
	2,871.55	2,790.13
Traded goods		
Auto Lamps	**1,882.85**	1,548.55
Stop & Tail Lamps	**8.59**	11.56
	1,891.44	1,560.11
Work in progress		
Bulb	**228.03**	123.63
Filament	**46.11**	49.01
Lamp without stamp	**803.50**	1,299.44
	1,077.64	1,472.08

Note 21 : Employee benefits expense (Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
Salaries, wages and bonus	**4,193.41**	4,588.87
Contribution to social security funds	**190.83**	227.15
Contribution to provident and other funds	**182.87**	190.40
Gratuity expense (refer note 33)	**24.83**	111.15
Staff welfare	**162.01**	190.58
Total	**4,753.95**	5,308.15

Note 22 : Finance Costs (Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
Interest on term loan**	**5.21**	64.21
Interest others {including Rs. 2.29 lacs (March 31, 2015: Rs. 1.39 lacs) on income tax}*	**328.63**	369.17
Factoring charges	**76.47**	95.78
Other finance costs	**120.18**	81.35
Total	**530.49**	610.51

* net of interest concession under Interest Equalisation Scheme on Pre and Post Shipment Rupee Export Credit of the Government of India effective from April 1, 2015 of Rs. 22.95 lacs (March 31, 2015: Nil).
** Refer note 38

Note 23 : Depreciation and amortization expense (Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
Depreciation of tangible assets	**604.42**	641.96
Amortization of intangible assets	**306.82**	549.91
Total	**911.24**	1,191.87

Notes to Consolidated financial statements for the year ended March 31, 2016

Note 24 : Other Expenses **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Consumption of stores and spares	**471.32**	355.29
Power and fuel	**617.78**	597.93
Rent	**432.63**	489.08
Rates and taxes	**51.81**	0.69
Increase in excise duty on closing stock	**42.37**	0.90
Technician expenses	**46.68**	69.47
Printing and stationery	**20.99**	23.27
Vehicle running and maintenance	**5.88**	6.68
Insurance charges	**138.70**	160.67
Filing and legal charges	**50.55**	29.66
Travelling and conveyance **	**297.52**	358.62
Communication expenses	**53.29**	53.55
Repair and maintenance :-		
Plant and machinery	**55.63**	58.26
Building	**43.03**	23.09
Others	**172.97**	146.39
Auditor's remuneration (refer details below)	**70.08**	105.46
Professional charges	**681.53**	755.93
Advertisement and sales promotion	**131.12**	170.23
Freight outward (net)	**588.60**	715.08
Commercial claims	**55.25**	-
Selling commission (other than to sole selling agents)	**212.00**	880.98
Cash discount	**63.69**	85.10
Security services	**61.67**	53.92
Loss on disposal of fixed assets (Net)	**16.45**	-
Corporate Social Responsibility Expenditure (refer note 37)	**73.70**	47.07
Provision for doubtful debts {net of write off Nil (March 31, 2015: Rs. 7.97 lacs)}	**-**	10.36
Irrecoverable balances written off	**169.81**	-
Exchange differences (net)	**-**	518.93
Bank charges	**98.91**	121.74
Miscellaneous expenses**	**58.69**	98.50
Total	**4,782.65**	5,936.85

** Refer note 38

Notes to Consolidated financial statements for the year ended March 31, 2016

Payment to Auditor **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
As Auditor:		
Audit fee	**42.89**	68.53
Tax audit fee	**3.05**	3.58
Limited Reviews	**7.50**	7.50
In other capacity:		
Certification & other matters etc.	**13.67**	16.79
Reimbursement of expenses	**2.97**	9.06
Total	**70.08**	105.46

Note 25 : Earnings per equity share (EPS)

Particulars	March 31, 2016	March 31, 2015
Profit after tax (Rs. in lacs)	**2,290.28**	1,957.25
Weighted average number of equity shares for calculating basic and diluted EPS (in Nos.)	**28,019,300**	28,019,300
Basic and Diluted earnings per share (in Rs.)	**8.17**	6.99
Nominal value of share (In Rs.)	**10.00**	10.00

Note 26 : Capital and other commitments **(Rs. int Lacs)**

Particulars	March 31, 2016	March 31, 2015
Estimated amount of unexecuted capital contracts (net of advances)	**889.59**	27.28

Note 27 : Contingent Liabilities (To The Extent Not Provided) **(Rs. in Lacs)**

Particulars	As at	
	March 31, 2016	March 31, 2015
Contingent liabilities :		
(a) Demands from the Indian tax authorities for disputed demands of income tax. The said amount includes mainly addition in sales, disallowance of purchases, other expenses and benefits and TDS for the Assessment Years 2005-06, 2009-10 to 2014-15*	**5,395.94**	8,609.94
(b) In respect of Assessment Year 2012-13, certain adjustments/ disallowances were made by the tax authorities on account of benefits claimed u/s 10AA of the Income Tax Act, 1961, interest on delayed realized export proceeds, SBLC charges etc. The Parent Company has filed the objection against the draft assessment order and is pending before Dispute Resolution Panel ('DRP') for disposal. The amount of disallowances is Rs. 1,132.69 lacs, on which income tax amounts to Rs. 367.50 lacs (excluding interest, penalty etc).*	**367.50**	-
(c) VAT/Sales Tax demands*	**4.10**	16.03
(d) Excise duty paid under Protest*	**-**	66.18
(e) Penalty against service tax demand*	**10.66**	10.27
(f) Claims also includes suspension period wages*	**39.03**	89.02
*Based on favourable decision in similar cases, discussions with the advocate etc, the Group believes that there is fair chance of decision in its favour and hence no provision is considered necessary against the same.		
The Contigent Liabilities disclosed above exclude liabilities pertaining to General Lighting business which are to be borne by Halonix Technologies Private Limited ("HTPL") to whom the business had been transferred in the Financial Year 2013-14, in accordance with the Business Transfer Agreement signed by the Parent Company with HTPL.		

Notes to Consolidated financial statements for the year ended March 31, 2016

Note 28 : Derivative Instruments and Unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

Details of Derivatives	Currency	As at March 31, 2016	As at March 31, 2015	Purpose
		In Foreign Currency (in lacs)	In Foreign Currency (in lacs)	
Forward Contracts	**EURO**	**5.12**	-	To hedge foreign currency receipts
Sell	**EURO**	**22.50**	-	To hedge highly probable foreign currency sales

(b) Particulars of unhedged foreign currency exposure as at the reporting date **(Rs. in Lacs)**

Particulars	Currency	As at March 31, 2016		As at March 31, 2015	
		(In Foreign Currency)	(in INR)	(In Foreign Currency)	(in INR)
Trade Payables	JPY	-	-	10.30	5.36
Trade Payables	EURO	4.33	325.20	4.62	311.89
Trade Payables	USD	2.51	166.53	2.86	179.17
Payable towards capital goods	USD	0.89	59.30	0.31	19.65
Bank Balance	USD	0.36	23.81	0.43	27.13
Remittance in transit	EURO	0.65	48.89	-	-
Trade receivable	GBP	-	-	0.06	5.85
Trade receivable	USD	3.47	229.92	1.83	114.73
Short term Borrowings	EURO	8.00	600.76	-	-

Note 29 : The Group has taken various residential, office, warehouse premises, and office equipments under operating lease agreements. These are generally cancellable and are renewable by mutually agreed terms. There are no restrictions imposed by Lease Agreements. There are no sub leases.

(Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
Total lease payments for the year (recognized in the consolidated statement of profit and loss)	**389.80**	451.82

Future minimum rentals payable under non-cancellable operating lease are as follows: **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Not Later than one Year	**386.21**	-
Later than one year but not later than five years.	**453.80**	-
Later than five years.	**-**	-

Notes to Consolidated financial statements for the year ended March 31, 2016

Note 30 : Related Party Disclosures

The Group has the following related parties in accordance with Accounting Standard- 18 specified under Section 133 of the Companies Act, 2013.

Nature of Relationship	Names of the Related Parties
Related parties where control exists i) Enterprises under Common Control (Fellow subsidiary)	Argon South Asia Limited (Argon South) (till June 17, 2015)
ii) Holding Company	a) Suprajit Engineering Limited (w.e.f. June 18, 2015) b) Argon India Limited (Argon India) (till June 17, 2015)
(iii) Enterprises owned or significantly influenced by Key Management Personnel	Suprajit Foundation (w.e.f. June 18, 2015)
iv) Key Management Personnel	a) Mr. K. Ajith Kumar Rai (Chairman of the Parent Company (w.e.f. June 18, 2015) b) Mr. Mohan Srinivasan Nagamangala (Director and Chief Executive Officer of the Parent Company) [w.e.f. June 18, 2015] c) Mr. Pranay D. Gandhi (Managing Director of the Parent Company) [till June 18, 2015] {PG} d) Mr. Peter Jaschkowitz (Director of Trifa Lamps Germany Gmbh) {PJ} (till February 11, 2015) e) Mrs. Marie-Louise Gentzch (Director of Trifa Lamps Germany Gmbh) {MLG} (w.e.f February 12, 2015) f) Mr. Frank Klinkert (Director of Luxlite Lamps SARL, Luxembourg) {FK}

B) Related Party Transactions **(Rs. in Lacs)**

Nature of Transactions	Common Control		Holding Company		Key Management Personnel				Total
Transactions during the Year	Argon South	Suprajit Foundation	Suprajit Engineering Limited	Argon India	PG	PJ	MLG	FK	
I) Managerial Remuneration	-	-	-	-	33.31	-	182.33	214.54	430.18
	(-)	(-)	(-)	(-)	(130.32)	(274.25)	(59.36)	(205.78)	(669.71)
II) Dividend Paid	-	-	-	-	-	-	-	-	-
	(437.42)	(-)	(-)	(1,749.67)	(-)	(-)	(-)	(-)	(2,187.09)
III) Management fees paid	-	-	153.21	-	-	-	-	-	153.21
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-
IV) CSR expenditure	-	73.70	-	-	-	-	-	-	73.70
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	-

Balances outstanding at the year end

Nature of Transactions	Common Control		Holding Company		Key Management Personnel				Total
Transactions during the Year	Argon South	Suprajit Foundation	Suprajit Engineering Limited	“Argon India“	PG	PJ	MLG	FK	
I) Managerial Remuneration Payable	-	-	-	-	-	-	129.69	87.65	217.34
	(-)	(-)	(-)	(-)	(15.00)	(-)	(42.12)	(56.66)	(113.78)

Notes to Consolidated financial statements for the year ended March 31, 2016

i) Previous Year figures are given in brackets.

ii) The remuneration to the key managerial personnel does not include the provisions made for gratuity and leave benefits, as they are determined on an actuarial basis for the Parent Company as a whole and includes value of perquisites based on actual payment or evaluated as per Income Tax Rules, 1962.

Note 31 : Segment Reporting

Business Segment

The Group is engaged in the manufacturing of the Auto Lamps and caters to both domestic and international markets. The product do not have any different risk and returns and thus the Group has only one business segment.

Geographic Segments

The following table shows the distribution of the Group's consolidated sales by geographical market regard less of where the goods were produced, the carrying amount of trade receivable by geographical market, carrying value of tangible / intangible assets, other assets and additions to fixed assets during current year.

(Rs. in Lacs)

Particulars	Within India	Outside India	Total
Sales (gross)	**14,376.49**	**20,369.21**	**34,745.70**
	(14,993.38)	(23,318.47)	(38,311.85)
Trade receivables	**3,020.67**	**4,089.37**	**7,110.04**
	(2,654.32)	(3,152.76)	(5,807.08)
Tangible / Intangible Assets *	**2,754.60**	**100.88**	**2,855.48**
	(2,777.76)	(372.88)	(3,150.64)
Other assets	**7,307.85**	**8,817.47**	**16,125.32**
	(8,009.83)	(6,830.46)	(14,840.29)
Addition to Tangible/Intangible Assets	**1,671.23**	**53.93**	**1,725.16**
	(450.96)	(29.36)	(480.32)

* including capital work in progress.

Note: Previous Year figures are given in brackets.

Note 32 : The Parent Company has initiated the process of obtaining confirmation from suppliers who have registered themselves under the Micro Small Medium Enterprises Development Act, 2006 (MSMED Act, 2006). Based on the information available with the Parent Company, the details of dues to Micro and Small Enterprise as per MSMED Act, 2006 are as under:-

Particulars	As at	
	March 31, 2016	March 31, 2015
i) The Principal amount and the interest due thereon remaining unpaid to any suppliers as at end of each accounting year	**-**	-
Principal Amount due to micro and small enterprises:	**367.89**	153.81
Interest due on above:	**10.95**	-
ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	**-**	-
iii) The amount of interest due and payable for the period of delay in making payment (Which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprise Development Act , 2006	**-**	-
iv) The amount of interest accrued and remaining unpaid at the end of the year, and	**-**	-
v) The amount of further interest remaining due and payable even in the succeeding years , until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro , Small and Medium Enterprise Development Act, 2006	**-**	-

Notes to Consolidated financial statements for the year ended March 31, 2016

Note 33: Gratuity and other post employment benefit plans

Defined contribution plan

Contribution to Recognised Provident Fund

The Parent Company has contributed Rs.121.94 lacs (March 31, 2015 Rs.127.68 lacs) towards provident fund during the year ended March 31, 2016.

Contribution to social security funds

The subsidiary companies have contributed Rs. 190.83 lacs (March 31, 2015: Rs. 227.15 lacs) towards social security benefits during the year ended March 31, 2016.

Gratuity Plan

The Parent Company has defined benefit gratuity plan. Gratuity is computed as 15 days salary for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The enterprises has funded the liability with Life Insurance Corporation (LIC). The Parent Company makes provision of such gratuity liability in the books of accounts on the basis of actuarial valuation as per the projected unit credit method.

The following tables summarise the components of net benefit expense recognized in the consolidated statement of profit and loss and amounts recognized in the consolidated balance sheet for the Gratuity.

Consolidated Statement of Profit and Loss

Net Employee benefits expense recognized in the employee cost **(Rs. in Lacs)**

Particulars	**March 31, 2016**	March 31, 2015
Current Service Cost	**22.47**	43.75
Interest Cost	**43.11**	47.00
Expected Return on Plan Assets	**(1.72)**	(1.51)
Net Actuarial (Gain)/Loss recognized during the year	**(39.03)**	21.91
Expenses recognized in the consolidated statement of profit and Loss	**24.83**	111.15
Actual Return on Plan Assets	**1.31**	1.40

Consolidated Balance Sheet

Details of Provision of Gratuity **(Rs. in Lacs)**

Particulars	**March 31, 2016**	March 31, 2015
Present Value of Defined Benefit Obligation	**538.68**	552.75
Fair Value of Plan Assets	**16.82**	19.10
Plan Assets / (Liability)	**(521.86)**	(533.65)

Changes in the Present Value of defined benefit obligation are as follows : **(Rs. in Lacs)**

Particulars	**March 31, 2016**	March 31, 2015
Opening defined benefit Obligation	**552.75**	524.16
Current Service Cost	**22.47**	43.75
Interest Cost	**43.11**	47.00
Benefits Paid (i) Directly paid by the enterprise (net of recovery)	**15.53**	(28.38)
(ii) Payment made out of the fund	**(55.74)**	(55.58)
Actuarial Losses on obligation	**(39.44)**	21.80
Closing Defined Benefit Obligation	**538.68**	552.75

Notes to Consolidated financial statements for the year ended March 31, 2016

Changes in the fair value of Plan Assets are as follows : **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
Opening fair value of Plan Assets	**19.10**	17.27
Expected Return	**1.72**	1.51
Contributions by the employer	**52.14**	56.01
Benefits Paid	**(55.74)**	(55.58)
Actuarial (Losses)	**(0.41)**	(0.11)
Closing fair value of Plan Assets	**16.81**	19.10

The major categories of Plan Assets as a percentage of fair value of total Plan Assets are as follows :

Particulars	March 31, 2016	March 31, 2015
Investment with Insurer	**100%**	**100%**

The Principal assumption used in determining Gratuity obligations for the Company's plans are shown below :

Particulars	March 31, 2016	March 31, 2015
Discount Rate	**7.70%**	7.80%
Expected Return on Plan Assets	**8.35%**	9.00%
Employee Turnover	**15 % for all ages**	15 % for all ages
Rate of Increase in Compensation levels	**8.50%**	10.00%

The estimates of future salary increases, considered in Actuarial Valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The overall expected rate of return on Assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligations is to be settled. The Company expects to contribute Rs 90.45 lacs to Gratuity Fund in the next year. (March 31, 2015: Rs. 90.90 lacs).

Amount for the current and previous four years are as follows : **(Rs. In Lacs)**

Particulars	31.03.2012	31.03.2013	31.03.2014	31.03.2015	31.03.2016
Defined Benefit Obligation	572.78	647.14	524.16	552.75	**538.68**
Plan Assets	60.08	23.54	17.27	19.10	**16.82**
(Deficit)	(512.71)	(623.60)	(506.88)	(533.65)	**(521.86)**
Experience Adjustments on plan liabilities- (loss) / Gain	(10.32)	(3.12)	(6.44)	15.56	**(1.32)**
Experience adjustments on Plan Assets- (loss) / Gain	0.34	(1.89)	(0.80)	(0.11)	**(0.41)**

Note 34 : (a) The asset of Rs. 154.32 lacs (March 31, 2015: Rs. 622.44 lacs) recognized by the Parent Company as 'MAT Credit Entitlement' under 'Loans and Advances', in respect of MAT payment for current and earlier years, represents that portion of MAT liability which can be recovered and set off in subsequent periods based on the provisions of Section 115JAA of the Income Tax Act, 1961. The management based on the future profitability projections, is of the view that there would be sufficient taxable income in foreseeable future, which will enable the Parent Company to utilize MAT credit assets.

(b) Provision for income tax of the Parent Company has been made after considering available various allowances and benefits based on experts opinion.

Notes to Consolidated financial statements for the year ended March 31, 2016

Note 35 : Additional information pursuant to Schedule III of Companies Act, 2013, "General instructions for the preparation of consolidated financial statements

	Name of the Entity	March 31, 2016				March 31, 2015			
		Net Assets, i.e. total assets minus liabilities		Share of Profit/(loss)		Net Assets, i.e. total assets minus liabilities		Share of Profit/(loss)	
		(Rs. in lacs)	As % of Consolidate net assets	(Rs. in lacs)	As % of Consolidate Profit/(loss)	(Rs. in lacs)	As % of Consolidated net assets	(Rs. in lacs)	As % of Consolidate Profit/(loss)
A	Parent Company								
	Phoenix Lamps Limited	17,765.49	81.75%	141.36	4.75%	17,624.13	66.96%	2,747.77	180.10%
B	Foreign Subsidiaries								
i).	International Lamps Holding Company S.A., Luxembourg*	-	-	-	-	7,778.21	29.55%	(72.38)	-4.74%
ii).	Luxlite Lamps SARL	1,747.10	8.04%	2,368.03	79.53%	(639.12)	-2.43%	(1,370.89)	-89.86%
iii).	Trifa Lamps Germany Gmbh, Annweiler	2,219.39	10.21%	468.02	15.72%	1,558.24	5.92%	221.16	14.50%
		21,731.98	**100.00%**	**2,977.41**	**100.00%**	**26,321.46**	**100.00%**	**1,525.66**	**100.00%**
	Eliminations	(7,480.34)		(687.13)		(14,603.27)		431.59	
	Computed as per Consolidated Financials Statements	**14,251.64**		**2,290.28**		**11,718.19**		**1,957.25**	

* Refer note 2(a)(v)

Note 36 : Change in accounting estimates

During the year, the Parent Company has re-assessed the remaining useful life of certain plant and machinery having gross block of Rs. 205.38 lacs on technical evaluation and accordingly has provided additional depreciation of Rs. 113.13 lacs on these assets to depreciate them fully during the year.

Had the Parent Company continued to use the earlier basis of providing depreciation, the charge to the consolidated statement of profit and loss for the current year would have been lower by Rs. 113.13 lacs and the net block of fixed assets would correspondingly have been higher by Rs. 113.13 lacs.

Note 37 : Details of CSR expenditure are as follows: **(Rs. in Lacs)**

Particulars	March 31, 2016	March 31, 2015
a) Gross amount required to be spent by the Company during the year	**73.32**	47.07
b) Amount spent during the year on the following in cash :	**73.70**	47.07
(i) Construction/acquisition of any asset	**-**	-
(ii) On purposes other than (i) above	**73.70**	47.07

Note 38 : Capitalisation of expenditure

During the year, the Parent Company has capitalised the following expenses of revenue nature to the cost of capital work-in-progress. Consequently expenses disclosed under the respective notes are net of amount capitalised by the Parent Company. The break up of expenditure is as follows:

(Rs. in Lacs)

Particulars	March 31, 2016	March 31, 2015
Travelling and conveyance	**6.83**	-
Finance Cost	**28.93**	-
Miscellaneous expenses	**0.70**	-
	36.46	-

Notes to Consolidated financial statements for the year ended March 31, 2016

Note 39 : The Board of Directors of the Parent Company at its meeting held on April 18, 2016 approved a draft scheme of amalgamation of the Parent Company with Suprajit Engineering Limited, the holding company of the Parent Company, subject to necessary approval of the shareholders of both the companies and other regulatory approvals.

Note 40 : Previous Year's Figures

Previous year's figures have been regrouped/rearranged wherever considered necessary, to conform to current year's classifications.

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 301003E/E300005

Sd/-
per Anil Gupta
Partner
Membership No. 87921

Place : New Delhi
Date : 28.05.2016

For and on behalf of the board of
Directors of Phoenix Lamps Limited

Sd/-
Mohan Srinivasan Nagamangala
CEO & Director

Sd/-
K. Ajith Kumar Rai
Chairman

Sd/-
Shrabanti Mandol
Company Secretary

PHOENIX LAMPS LIMITED

A SUPRAJIT GROUP COMPANY

PHOENIX LAMPS LIMITED
CIN: L31500KA1991PLC095519
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Tel: 080-43421100, **Fax:** 080-27833279
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