

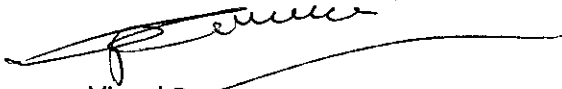


# OPTO CIRCUITS (INDIA) LIMITED.

## FORM B

1.	Name of the Company:	OPTO CIRCUITS (INDIA) LIMITED
2.	Annual financial statements for the year ended	31st March 2014
3.	Type of Audit qualification	Qualified...../ Subject to ...../ Except for.....
4.	Frequency of qualification	Point (a) is repetitive.
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Auditors Report dated 30th May, 2014 for Consolidated Financial Statements under the heading Opinion in points (a) to (f) and under other matters on page no 52 & 53 of the Annual Report
6.	Additional comments from the board/audit committee chair:	Explanation by Board of Directors, In their Report dated August 12, 2014 under heading Auditors Observation, on page 11 & 12 of the Annual Report.

For Opto Circuits (India) Limited

  
Vinod Ramnani  
Chairman & Managing Director



SENSING TECHNOLOGY

**ANNUAL REPORT  
2013-14**

— — — — — **— OPTO CIRCUITS (INDIA) LIMITED —** — — — — —

## **BOARD OF DIRECTORS**

Vinod Ramnani, Chairman & Managing Director  
Jayesh C Patel, Director  
Thomas Dietiker, Director  
Dr. Suleman Adam Merchant, Director  
V. Balasubramaniam, Director  
Dr. Anvay Mulay, Director  
Rajkumar Raisinghani, Director  
Bhaskar Bodapati, Director

## **COMPANY SECRETARY**

V. Sundar

## **REGISTERED OFFICE**

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

## **AUDITORS**

Anand Amarnath & Associates  
Chartered Accountants  
S-2, II Floor, Gem Plaza,  
No. 66, Infantry Road,  
Bengaluru - 560 001

## **BANKERS**

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

## **22<sup>ND</sup> ANNUAL GENERAL MEETING**

Day & Date: Tuesday, 30th September 2014

Time: 12:00 Noon

Venue: Manipal County

No.65 Singasandra, Off Hosur Road,  
Bengaluru 560 068

## **COMPANY CO-ORDINATES FOR INVESTORS**

9am IST - 5pm IST, Weekdays  
# 83, Electronics City,  
Bengaluru 560 100, Karnataka, India  
T: 91 80 2852 1040/41/42  
F: 91 80 2852 1094  
E-mail: [investorsservices@optoindia.com](mailto:investorsservices@optoindia.com) |  
[ir@optoindia.com](mailto:ir@optoindia.com)

## **GROUP WEBSITES**

[www.optoindia.com](http://www.optoindia.com) | [www.amdlcorp.com](http://www.amdlcorp.com) |  
[www.cardiacscience.com](http://www.cardiacscience.com) | [www.csiusa.com](http://www.csiusa.com) |  
[www.devoncath.com](http://www.devoncath.com) | [www.eurocor.de](http://www.eurocor.de) |  
[www.mediaidinc.com](http://www.mediaidinc.com) | [www.nsremedies.com](http://www.nsremedies.com) |  
[www.optoeurocor.com](http://www.optoeurocor.com) | [www.ormedortho.com](http://www.ormedortho.com) |  
[www.unetixs.com](http://www.unetixs.com)

## CHAIRMAN'S STATEMENT

Dear Shareholders,

During the year 2013-14, your Company reported Consolidated Net Revenue of ₹ 1471 crores as compared to the previous year's Consolidated Revenue of ₹ 2406 crores. Your Company reported a Consolidated Profit of ₹ 90 crores vis-à-vis a Consolidated Net Profit of ₹ 382 crores in FY 2012-13.

The past year was filled with challenges for your Company. The Revenues of Opto at group level have dropped in FY 2013-14 compared to FY 2012-13 on account of:

The sale of CMD (Cardiac Monitoring division) which was part of Cardiac Science Corporation Inc., USA (a step-down subsidiary of Opto Circuits) resulted in a significant dip in the revenues.

One of the other reasons for drop in revenue was tough market conditions & weak economic scenarios prevailing in Europe, Middle East and Far East. An increase in the Material and Freight cost in the US and Europe which could not be passed on to the customers also contributed to this drop in revenues and margins.

The dip in the revenue of standalone entity in FY 2013-14 also contributed to overall drop in the group revenue. Standalone revenues have dropped due to supply chain disruption in our Vizag facility because of political uncertainties. However, through innovative means we have been able to keep our customer's requirements by shipping products from our Malaysian facility.

The invasive segment revenues have dipped because of changing markets, primarily moving from Paclitaxel DES to Sirolimus DES. We have started test marketing E-magic plus in Asia and parts of Far East and expect to get a CE approval for this by end of this year.

Apart from the launch of Powerheart® AED G5, (Cardiac Science product) in Europe, We have got US FDA clearance for Powerheart® AED G5, and hence allowing your Company to begin selling the AED later this year along with its successful Powerheart® G3 product line. The Powerheart® G5 will be available for sale in the United States later this year.

We are glad to share that our AED's once again have been very successful in saving many lives this year around the world, the stories of which we have been sharing through our Blogs.

In April 2014, Unetix's Vascular Inc., step-down subsidiary of Opto Circuits and a leading manufacturer of peripheral vascular devices has also received CE mark for the product MultiLab® Series II,3-CP Vision. It is a Dual-Channel peripheral vascular diagnostic system and vascular profiler which enables vascular technologists to perform non-invasive diagnosis study about the Peripheral Arterial and Venous Diseases. This CE certification will enable the Company to market and sell this device in Europe, Asia, Latin America and other countries with such regulatory requirements.

Our R&D team is working on several new products designed especially for the emerging markets which we expect will contribute significantly to the revenue of your Company in the coming years.

On the working capital situation we are aggressively following up with our errant distributors to collect past over dues. We are also working on reducing our inventory levels across the globe.

Every Company goes through tough times either because of markets, products or the economy which teaches us valuable lessons for the future. We are confident that this downturn will end soon and we will emerge stronger.

On this note, I would like to take this opportunity to thank you all for your unwavering trust and support especially our shareholders, customers, bankers and our employees.

Yours Sincerely,

**Vinod Ramnani**  
Chairman and Managing Director

# DIRECTOR'S REPORT TO THE SHAREHOLDERS

To  
The Members,

We are pleased to present the 22nd Annual Report of OPTO CIRCUITS (INDIA) LIMITED, together with the Audited Financial Statements and the Auditor's Report of your Company for the year ended 31st March 2014.

## FINANCIAL HIGHLIGHTS: OPTO CIRCUITS – STANDALONE OPERATIONS

₹ in Lacs

Particulars for the year-ended March 31st	2014	2013
<b>TOTAL REVENUES</b>	26,110.89	69,698.08
Expenditure	20,937.86	45,210.72
Profit before Depreciation	5,965.29	25,148.51
Depreciation	792.27	661.15
Profit before Tax	5,173.02	24,487.36
Provision for Taxation	957.23	382.99
Profit for the year	4,215.79	24,104.37
Surplus carried to Balance Sheet	4,215.79	24,104.37

## OPERATIONS

Standalone Total Revenues are at ₹ 26,110.89 lacs for the year ended 31st March, 2014 as against ₹ 69,698.08 lacs for the corresponding period of Financial Year 2013. Standalone Profit after Tax for the year ended 31st March, 2014 is at ₹ 4,215.79 lacs, as against ₹ 24,104.37 lacs for the corresponding period of Financial Year 2013.

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year 2013-14 and the date of this Report.

## DIVIDENDS

Your Directors have not recommended any dividend for the year ended 31st March 2014.

## TRANSFER TO RESERVES

An amount of Rs 4,215.79 lacs is proposed to be retained in the Profit and Loss Account.

## GROUP FINANCIAL HIGHLIGHTS: OPTO CIRCUITS – CONSOLIDATED

₹ in Lacs

Particulars for the year-ended March 31st	2014	2013
<b>TOTAL REVENUES</b>	147,132.58	240,666.39
Expenditure	128,361.01	192,522.88
Profit before Depreciation	18,771.57	48,143.52
Depreciation	7,570.14	9,595.14
Profit before Tax	11,201.43	38,548.38
Provision for Taxation	2,197.43	312.19
Profit for the year	9,004.00	38,236.19
<b>APPROPRIATIONS</b>		
Proposed Dividend	0	0
Tax on Dividend	0	0
Minority Interest	(93.23)	254.72
Surplus carried to Balance Sheet	9097.23	37,981.47

As stipulated in the Listing Agreement with the Stock Exchanges, the consolidated financial statements have been prepared by the Company in accordance with the relevant Accounting Standards issued by the Institute of Chartered Accountants of India. The Audited Consolidated Financial Statements, together with the Auditor's Report, thereon, form part of the Annual Report.

## OPERATIONS

Consolidated Revenue is at ₹ 147,132.58 lacs for the year ended 31st March, 2014 as against ₹ 240,666.39 lacs for the corresponding period of Financial Year 2013. Consolidated Profit after Tax for the year ended 31st March, 2014 is at ₹ 9,004.00 lacs, as against ₹ 38,236.19 lacs for the corresponding period of Financial Year 2013. Earnings per Share for the year-ended 31st March 2014 is at ₹ 3.75 (Basic).

## INVESTMENT BY OPTO CIRCUITS (INDIA) LTD.

As on 31st March 2014, your Company had nine direct subsidiary companies, listed as under:

Sl. No.	Name of the Company	Country of Incorporation	% Holding
1.	Advanced Micronic Devices Ltd.	India	59.71%
2.	Opto Eurocor Healthcare Ltd.	India	96.85%
3.	Mediaid Inc.	USA	100%
4.	Ormed Medical Technology Ltd.	India	100%
5.	Devon Innovations Pvt. Ltd.	India	100%
6.	Opto Infrastructure Ltd.	India	87.20%
7.	Opto Circuits (Malaysia) Sdn. Bhd	Malaysia	100%
8.	Maxcor LifeScience Inc	USA	100%
9.	Opto Cardiac Care Ltd.	India	100%

## SUBSIDIARY COMPANY ACCOUNTS

Ministry of Corporate Affairs, Government of India, vide General CircularNo.2/2011, dated 8th February 2011, granted a general exemption from attaching various documents in respect of subsidiary companies, as set out in sub-section (1) of Section 212 of the Companies Act, 1956. Accordingly, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are not being attached with the Annual Report of the Company. However, Financial information of the subsidiary companies, as required under the said Circular, have been furnished under "Details of Subsidiaries" forming part of the Annual Report. The Company will make available the annual accounts of subsidiary companies and the related detailed information to any investor, of holding and of subsidiary companies, seeking such information at any point of time. The annual accounts of the subsidiary companies will also be kept open for inspection by any investor at the registered office of the Company and that of the respective subsidiary companies. The Consolidated Financial Statements presented by the Company include financial results of its subsidiaries.

## MANAGEMENT DISCUSSION AND ANALYSIS

### GENERAL INFORMATION ABOUT THE COMPANY

Opto Circuits India Ltd. is a multinational medical device company headquartered out of Bengaluru, India. The Group companies such as Cardiac Science, Criticare, Eurocor, Mediaid, AMDL and Unetixs Vascular are leaders in vital signs monitors, emergency cardiac care equipment, vascular treatments and sensing technologies.

The Company USFDA listed and CE marked products are marketed in more than 150 countries - European Union, North and South America, Middle East, Asia and Asia-Pacific through a set of 1,300 distributors. (Strong Global Distribution network) and also sold through direct and indirect sales channels across many emerging and developing economies. Your Company runs facilities and offices in North America, Europe and Asia.

Your Company research and development facilities are located in the United States, Germany and India. Now, with more than 20 years of medical product design and development experience, your Company understands medical device industry challenges very well. Hence your Company's R&D Centers are committed to develop High Quality & Reliable products that meet statutory, regulatory and customer requirements, by innovative design solutions & systematic development process.

Every effort is made by your Company to achieve world class design standards by continually monitoring and improving the Design & Development process. Your Company's R&D also supports development of new products for the OEM (Original Equipment Manufacturer) partners.

### STRENGTHS OF THE COMPANY

Your Company relies on a combination of proprietary technology and inhouse know-how to design and sell unique medical devices in global markets. The technical leadership and unique features contained in your Company's products allow it to significantly differentiate the products from competitors. Another strength your Company possesses is, the global reach with products approved for sale in over 150 countries around the globe. Going forward your Company plans to further leverage the cost effective manufacturing sites in South East Asia which will allow your Company to maintain and grow product gross margins.

## BUSINESS PERFORMANCE ANALYSIS

### STANDALONE

The Revenues of the standalone entity in Financial Year 2013-14 have seen a dip primarily on account of supply chain disruption in our Vizag facility arising out of political disturbances.

To make up for the delay in transit times, your Company had to expedite the shipment of most of the raw materials, which resulted in an increase in Freight costs. Some of the materials had to be sourced from new suppliers at higher prices. Your Company was able to meet most of its customer's requirements by supplying them the products from its overseas manufacturing locations where the cost of manufacturing is higher, causing the margins to dip.

Because of the disruptions in the production plan in India and consequent delay in the shipments of the finished goods some of your Company's customers cancelled their orders which resulted in a dip in Revenues for the Financial Year 2013-14 in India.

Your Company could not to pass on the increase in freight and material costs to its customer as they were pre-existing contracts. During the same period, your Company has also not shipped its products to a few customers who were delaying payments.

### CONSOLIDATED

The Revenues of Opto at group level have also dropped in Financial Year 2013-14 compared to Financial Year 2012-13 on account of: The sale of CMD (Cardiac Monitoring division) which was part of Cardiac Science Corporation Inc., USA (a step down subsidiary of Opto) which resulted in a significant drop in the revenue. One of the other reasons for drop in revenue was tough market conditions & weak economic scenarios prevailing in Europe, Middle East and Far East. An increase in the Material and Freight cost in US and Europe could not be passed on to the customers. Further, for the product line in our Invasive segment, your Company was awaiting for the CE certification which delayed the release of new products in the global market. Your Company is continuously striving to cut operational costs and improve operational efficiencies to improve the margins. It is envisaged that it will take another four quarters to rationalize the supply chain and our distribution network. As mentioned earlier your Company have tightened its credit policies especially to errant distributors to reduce the overall working capital cycle.

Your Company is confident that our efforts will bear fruits in the coming quarters thereby benefitting your Company and its shareholders.

## RESULTS OF OPERATIONS

### STATEMENT OF PROFIT AND LOSS - STANDALONE

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

₹ in Lacs

Particulars for the year ended March 31st	2014	% of Total Income	2013	% of Total Income
<b>INCOME</b>				
Sales	26,278.48	100.64	69,925.35	100.33
Other Income	(167.59)	(0.64)	(227.27)	(0.33)
<b>TOTAL</b>	<b>26,110.89</b>	<b>100.00</b>	<b>69,698.08</b>	<b>100.00%</b>
<b>EXPENDITURE</b>				
Manufacturing Expenses	13,211.06	-	40,529.12	-
Increase/Decrease in WIP&FG	(349.87)	-	(398.88)	-
<b>Net Manufacturing Expenses</b>	<b>12,861.19</b>	<b>49.26</b>	<b>40,130.24</b>	<b>57.58%</b>
Administrative & Selling Expenses	1,926.22	7.38	2,219.07	3.18%
Financial Expenses	5,358.19	20.52	2,200.26	3.16%
Depreciation	792.27	3.03	661.15	0.95%
<b>TOTAL</b>	<b>20,937.87</b>	<b>80.19</b>	<b>45,210.72</b>	<b>64.87%</b>
<b>Profit before Tax</b>	<b>5,173.02</b>	<b>19.81</b>	<b>24,487.36</b>	<b>35.13%</b>
Provision for Taxation	957.23	3.67	382.99	0.55%
<b>Profit after Tax</b>	<b>4,215.79</b>	<b>16.14</b>	<b>24,104.37</b>	<b>34.58%</b>

#### INCOME

Total Turnover

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Sales	26,278.48	69,925.35
Other Income	(167.59)	(227.27)
<b>Total Income</b>	<b>26,110.89</b>	<b>69,698.08</b>

#### OTHER INCOME

Other Income which was Rs.(227.27) lacs in FY 2013 has an income of (167.59) lacs in FY 2014. Major components of other income comprise of income/loss from foreign exchange fluctuations.

#### EXPENDITURE

##### NET MANUFACTURING EXPENSES

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Manufacturing Expenses	12,292.45	39,589.92
Less: (Inc)/Dec in WIP & Finished Goods	(349.87)	(398.88)
Factory Expenses	918.61	939.20
<b>Total Expenses</b>	<b>12,861.19</b>	<b>40,130.24</b>
<b>Total Expenses as % of Income</b>	<b>49.26%</b>	<b>57.58%</b>

Factory expenses of ₹ 918.61 lacs in FY 2014 vs ₹ 939.20 lacs in FY 2013.

##### ADMINISTRATIVE AND SELLING EXPENSES

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Administrative Expenses	612.54	799.12
Staff Expenses	995.02	953.36
Selling Expenses	318.66	466.60
<b>Total Expenses</b>	<b>1,926.22</b>	<b>2,219.07</b>
<b>Total Expenses as % of Income</b>	<b>7.38%</b>	<b>3.18%</b>

##### FINANCIAL EXPENSES

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Financial charges	5,358.19	2,200.26
<b>TOTAL</b>	<b>5,358.19</b>	<b>2,200.26</b>
<b>Total Expenses as % of Income</b>	<b>20.52%</b>	<b>3.16%</b>

In FY 2014, financial expenses largely comprised interest cost on working capital.



## PROFIT BEFORE DEPRECIATION, INTEREST AND TAX (PBDIT)

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Profit before Depreciation, Interest & Tax	11,323.49	27,348.77
Profit before Depreciation, Interest & Tax as % of Total Income	43.37%	39.24%

## NET PROFIT AFTER TAX

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Net Profit after Tax	4,215.79	24,104.37
Net Profit after Tax as % of Total Income	16.14%	34.58%

## BALANCE SHEET- STAND ALONE

₹ in Lacs

Particulars	As at March 31 2014	As at March 31 2013
<b>EQUITY AND LIABILITIES</b>		
Share Holders Funds		
(a) Share Capital	24,231.94	24,231.94
(b) Reserve and Surplus	125,399.05	1,21,183.26
	<b>149,630.99</b>	<b>1,45,415.20</b>
<b>Non -Current Liabilities</b>		
(a) Long Term Borrowings	775.00	0.63
	<b>775.00</b>	<b>0.63</b>
<b>Current Liabilities</b>		
(a) Short- term borrowings	86,365.73	80,078.03
(b) Trade payables	3,722.58	5,541.57
(c )Other Current Liabilities	10,831.77	16,372.58
(d) Short-term provisions	1,062.30	103.59
	<b>101,982.38</b>	<b>1,02,095.77</b>
<b>Total</b>	<b>252,388.37</b>	<b>2,47,511.60</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
(a) Fixed Assets		
(i) Tangible assets	11,319.81	12,090.02
(ii) Capital work-in-progress	128.83	128.83
	<b>11,448.64</b>	<b>12,218.85</b>
(b) Non-current investments	38,166.46	38,166.46
(c) Deferred tax assets (net)	53.08	34.89
	<b>38,219.54</b>	<b>38,201.35</b>
<b>Current Assets</b>		
(a) Inventories	43,886.76	36,052.72
(b) Trade Receivables	61,500.63	58,426.22
(c ) Cash and Cash Equivalentents	230.82	216.03
(d) Short-term-loans and advances	97,090.14	102,375.41
(e) Other current assets	11.84	21.02
	<b>202,720.18</b>	<b>1,97,091.40</b>
<b>Total</b>	<b>252,388.37</b>	<b>2,47,511.60</b>

**NET WORTH**

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Share Capital	24,231.94	24,231.94
Reserves & Surplus	125,399.05	121,183.26
<b>Net Worth</b>	<b>149,630.99</b>	<b>145,415.20</b>

The Increase in network is Rs. 4,215.79 lacs.

**LOAN FUNDS**

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Short Term Borrowings	86,365.73	80,078.03
Long Term Borrowings	1,756.97	1,275.34
<b>Total Loan Funds</b>	<b>88,122.70</b>	<b>81,353.37</b>

**FIXED ASSETS**

₹ in Lacs

Particulars	31.03.2014	31.03.2013
<b>Total Net Block</b>	<b>11,448.64</b>	<b>12,218.85</b>

**RAW MATERIAL INVENTORY**

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Raw Materials & Consumables	34,815.62	27,331.46
<b>Number of days to consumption</b>	<b>484</b>	<b>252</b>

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

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Finished Goods and Work-in process	9,071.14	8,721.26
<b>Number of days to sales</b>	<b>126</b>	<b>46</b>

**DEBTORS**

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Debtors	61,500.63	58,426.22
<b>Number of days to sales</b>	<b>854</b>	<b>305</b>

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

**CURRENT LIABILITIES**

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Trade payables	3,722.58	5,541.57
Other current liabilities	10,831.77	16,372.58
Short-term provisions	1,062.30	103.59
<b>Total Current Liabilities</b>	<b>15,616.65</b>	<b>22,017.74</b>
<b>Number of days to sales</b>	<b>217</b>	<b>115</b>

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

# STATEMENT OF PROFIT & LOSS - CONSOLIDATED

₹ in Lacs

Particulars for the year ended March 31st	2014	% of Total Income	2013	% of Total Income
<b>INCOME</b>				
Sales	140,800.79	95.70%	239,935.47	99.70%
Other Income	6,331.79	4.30%	730.92	0.30%
<b>TOTAL</b>	<b>147,132.58</b>	<b>100.00%</b>	<b>240,666.39</b>	<b>100.00%</b>
<b>EXPENDITURE</b>				
Cost of materials consumed	79,926.59		136,505.11	
Increase/Decrease in WIP & Finished Goods	553.18		(1,854.97)	
<b>Net Manufacturing Expenses</b>	<b>80,479.77</b>	<b>54.70%</b>	<b>134,650.14</b>	<b>55.95%</b>
Employee benefit expense	15,858.37	10.78%	19,969.34	8.30%
Financial Cost	13,714.19	9.32%	10,923.55	4.54%
Depreciation/Amortization	7,570.14	5.15%	9,595.14	3.99%
Other Expenses	18,077.52	12.29%	25,830.95	10.73%
Extraordinary Items	231.16	0.16%	1,148.90	0.48%
<b>TOTAL</b>	<b>135,931.15</b>	<b>92.39%</b>	<b>202,118.02</b>	<b>83.98%</b>
<b>Profit for the year before Tax</b>	<b>11,201.43</b>	<b>7.61%</b>	<b>38,548.38</b>	<b>16.02%</b>
Provision for Taxation	2,197.43	1.49%	312.19	0.13%
<b>Profit After Tax</b>	<b>9,004.00</b>	<b>6.12%</b>	<b>38,236.19</b>	<b>15.89%</b>

## INCOME

Total Turnover

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Sales	140,800.79	239,935.47
Other Income	6,331.79	730.92
<b>Total Income</b>	<b>147,132.59</b>	<b>240,666.39</b>

## FINANCIAL EXPENSES

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Financial Charges	13,714.19	10,923.55
<b>Total</b>	<b>13,714.19</b>	<b>10,923.55</b>
<b>Financial expense as % of Income</b>	<b>9.32%</b>	<b>4.54%</b>

## EXPENDITURE

### MANUFACTURING EXPENSE

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Manufacturing Expenses	79,926.59	136,505.11
Less: (Inc)/Dec in WIP & Finished Goods	553.18	(1,854.97)
<b>Total expense</b>	<b>80,479.77</b>	<b>134,650.15</b>
<b>Total expense as % of Income</b>	<b>54.70%</b>	<b>55.95%</b>

## DEPRECIATION & AMORTISATION

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Depreciation & Amortization	7,570.14	9,595.14
<b>Total</b>	<b>7,570.14</b>	<b>9,595.14</b>
<b>Depreciation &amp; Amortization as % of Income</b>	<b>5.15%</b>	<b>3.99%</b>

## STAFF & OTHER EXPENSE

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Staff Expenses	15,858.37	19,969.34
Other Expenses	18,077.52	25,830.95
<b>Total</b>	<b>33,935.88</b>	<b>45,800.28</b>
<b>Total expense as % of Income</b>	<b>23.06%</b>	<b>19.03%</b>

## PROFIT BEFORE DEPRECIATION, INTEREST AND TAX (PBDIT)

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Profit before Depreciation, Interest & Tax	32,485.76	59,067.06
<b>PBDIT as % of Income</b>	<b>22.08%</b>	<b>24.54%</b>

## CASH PROFIT AFTER TAX

Particulars	₹ in Lacs	
	31.03.2014	31.03.2013
Cash Profit after Tax	16,574.14	47,831.33
<b>Cash profit after Tax as % of Income</b>	<b>11.26%</b>	<b>19.87%</b>

## NET PROFIT

Particulars	₹ in Lacs	
	31.03.2014	31.03.2013
Net Profit after Tax	9,004.00	38,236.19
<b>Net Profit as % of Income</b>	<b>6.12%</b>	<b>15.89%</b>

## BALANCE SHEET- CONSOLIDATED

Particulars	₹ in Lacs	
	As at March 31 2014	As at March 31 2013
<b>EQUITY AND LIABILITIES</b>		
(a) Share Capital	24,231.94	24,231.94
(b) Reserves and Surplus	1,98,647.77	183,960.69
	<b>2,22,879.71</b>	<b>208,192.63</b>
<b>Minority Interest</b>	<b>1,963.94</b>	<b>2,058.89</b>
<b>Non-Current Liabilities</b>		
(a) Long-term borrowings	19,235.84	22,574.94
(b) Deferred tax liabilities (Net)	-	-
(c) Long term provisions	207.39	274.63
	<b>19,443.23</b>	<b>22,849.57</b>
<b>Current Liabilities</b>		
(a) Short-term borrowings	117,635.45	109,467.70
(b) Trade payables	27,433.96	40,841.73
(c) Other current liabilities	39,754.21	42,833.32
(d) Short-term provisions	7,287.34	7,027.50
	<b>192,110.96</b>	<b>200,170.25</b>
<b>Total</b>	<b>436,397.85</b>	<b>433,271.34</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Fixed assets		
(i) Tangible assets	51,574.87	51,793.94
(ii) Intangible assets	17,205.96	20,056.63
(iii) Capital work-in-progress	4,655.72	4,445.63
	<b>73,436.55</b>	<b>76,296.20</b>
<b>Goodwill on Consolidation</b>	<b>42,114.00</b>	<b>44,913.35</b>
(b) Non-current investments	1.09	1.09
(c) Deferred tax assets (net)	7,073.83	6,367.60
(d) Long term loans and advances	8.34	8.34
(e) Other non-current assets	7,145.59	5,684.61
	<b>14,228.85</b>	<b>12,061.65</b>
<b>Current assets</b>		
(a) Inventories	78,913.28	74,430.49
(b) Trade receivables	172,710.42	158,940.22
(c) Cash and Cash Equivalents	2,014.86	4,316.90
(d) Short-term loans and advances	50,887.28	60,089.17
(e) Other current assets	2,092.61	2,223.37
	<b>306,618.45</b>	<b>300,000.15</b>
<b>Total</b>	<b>436,397.85</b>	<b>433,271.34</b>

## NET WORTH

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Share Capital	24,231.94	24,231.94
Reserves & Surplus	198,647.77	183,960.69
<b>Net Worth</b>	<b>222,879.71</b>	<b>208,192.63</b>

## LOAN FUNDS

₹ in Lacs

Particulars	31.03.2014	31.03.2013
<b>Total Loan Funds</b>	<b>149,067.39</b>	<b>129,414.82</b>

## FIXED ASSETS

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Net block of Tangible Assets	51,574.87	51,793.94
Net block of Intangible Assets	17,205.96	20,056.63
<b>Total Net Block</b>	<b>68,780.83</b>	<b>71,850.57</b>

## GOODWILL

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Opening Balance	44,913.35	44,913.35
Additions/Deletion during the year net of Capital Reserve	(2,799.35)	
<b>Closing Balance</b>	<b>42,114.00</b>	<b>44,913.35</b>

## RAW MATERIAL INVENTORY

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Raw materials & Consumables	63,675.27	58,733.42
<b>Number of days to Consumption</b>	<b>339</b>	<b>182</b>

## FINISHED GOODS AND WORK IN PROCESS

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Finished Goods	2,655.87	2,803.36
Work in Process	11,921.62	12,327.31
Stock of Finished Goods and Work in Process	14,577.49	15,130.67
<b>Number of days to Sales</b>	<b>38</b>	<b>23</b>

## DEBTORS

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Debtors	172,710.42	158,940.22
<b>Number of days to Sales</b>	<b>448</b>	<b>242</b>

## CURRENT LIABILITIES

₹ in Lacs

Particulars	31.03.2014	31.03.2013
Current Liabilities	53,382.29	77,380.76
<b>Number of days to Sales</b>	<b>138</b>	<b>118</b>

## CONSERVATION OF ENERGY

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

## FOREIGN EXCHANGE EARNINGS

Your Company earned ₹ 22,867.16 lacs in foreign exchange in the year under review.

## PARTICULARS OF EMPLOYEES

Information as per Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules 1975, as amended, is as follows

Name	Mr. Vinod Ramnani
Designation and Nature of Duties	Chairman and Managing Director / Managerial
Remuneration Received	Rs. 5,247,024 perquisites Rs. 2,623,512
Qualification and Experience	Bachelor of Engineering / 35 years
Date of commencement of employment	08.06.1992
Age	58 years
Last employment held	Elekon Industries Pte Limited

Apart from above, there were no employees were covered under the provisions of Section 217(2A)(a)(iii) of the Companies Act, 1956.

## CORPORATE GOVERNANCE REPORT

Corporate Governance Report, and the Certificate dated 12th August 2014 from the Auditors of your Company regarding compliance to the conditions for Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges are enclosed.

## DIRECTOR'S RESPONSIBILITY STATEMENTS

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to the Directors Responsibility Statement, it is hereby confirmed:

- a) That in the preparation of the Annual Accounts for the financial year ended 31st March 2014, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any.
- b) That the Directors have selected such appropriate accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that financial year.
- c) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors have prepared the annual accounts on a going concern basis.

## LISTING OF SECURITIES

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

## FIXED DEPOSITS

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

## DIRECTORS

Mr. Jayesh Chandrakant Patel (DIN: 01338843), and Mr. Thomas Dietiker (DIN: 01424625) retires by rotation and being eligible, offers themselves for re-appointment at the ensuing Annual General Meeting. The Board of Directors recommend their appointment.

Mr. Vivek Ramnani and Mr. Ashwin Khemani ceased to be an Alternative Directors of the Company with effect from 30.09.2013.

The Company had appointed Mr. Rajkumar Tulsidas Raisinghani (DIN: 01411084) and Dr. Anvay Vinayak Muly (DIN: 01479415) as Non-Executive Directors, liable to retire by rotation under the Companies Act, 1956. These Directors are also Independent Directors pursuant to Clause 49 of the Listing Agreement.

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

Appropriate resolutions seeking your approval for the appointment of above persons as Independent Directors of the Company, forms part of the Notice calling the AGM.

Brief resume of the Directors seeking appointment / re-appointment at the Annual General Meeting, as required under Clause 49 of the Listing Agreement and Companies Act 2013, forms part of the Notice convening the Annual General Meeting.

## AUDITORS

M/s Anand Amarnath & Associates, Chartered Accountants, Bengaluru, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. In terms of Section 139 of the Companies Act, 2013, they can be appointed for a remaining term of three years starting from the conclusion of the ensuing Annual General Meeting until the conclusion of the Twenty Fifth Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of re-appointment by the members at every AGM held after this AGM) The Company has received letter from the Statutory Auditors to the effect that their reappointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for reappointment.

## AUDITORS OBSERVATION

The Board of Directors of the Company would like to give following explanations and clarifications with respect the Qualifications /observations made by the Auditors in their report dated 30th May, 2014 for Consolidated Financial Statements under the heading Opinion in points (a) to (f) and under other matters.

- a) Company has already paid part of the dividend; balance representing to promoters / associates is being paid in due course.
- b) (i) With regard to the observations of Stock Auditors of Advanced Micronic Devices Limited: Company has assessed

the entire Terminals and Multi Para Patient Monitors inventory. During the Financial year, written-off inventory was worth Rs.328.81 Lacs. Efforts are in progress to sell the remaining inventory including Terminals and Multi Para Patient Monitors.

b) (ii) & d) Advanced Micronic Devices Limited confirm that the receivables of Rs.1967 Lacs over a period of 180 days are good. Company is awaiting for certification from our principles for the powerlines and other surveys done. We expect to receive the payments before December 2014. In other cases, where there has been undue delay, Company is aggressively pursuing for the payment or return of the inventory.

c) Advanced Micronic Devices Limited has a branch at USA. Since there is no mandatory requirement for such branch audit in USA, and also considering the cost involved, the Company has deferred its Audit plans of this US branch, but however, have instituted adequate internal control systems, checks and mechanism in place and is directly monitoring the same.

e) Cardiac Science Corporation has incurred losses in FY 2012-13 due to a loss making division, Cardiac Monitoring division. The same has since been hived off and the resultant losses have been cut down during F.Y.2013-14. In addition various cost cutting measures have been deployed to keep the Company running smoothly which were effective in 2013-14. Further Parent Company support is always available for any exigency. In view of the above facts, company is of the opinion that Cardiac Science Corporation is a going concern which has been proved beyond doubt by its operations in 2014 in which year the Company has obtained FDA clearance for Powerheart AED G5 equipment.

f) Opto Eurocor GmbH is a step down subsidiary of Opto Circuits (India) Limited. There is no specific requirement of independent audit in the country of Operations for a company of that size & operations. However adequate internal controls and systems are in place for effective monitoring by the parent Company.

Further a reference to Note 30 B of Notes to accounts refers to a provision not made for Minimum Alternate Tax. Note 30 B is self explanatory and no further explanation is needed.

Under Other Matters of Auditors Report for Consolidated Financial Statements:

The Company has step down subsidiaries in overseas and the completion of audit some times goes beyond the time required under the statutes and regulatory frame work in India, to file audited consolidated accounts by 60 days from the end of the Financial year. In this respect the Audited Financial Accounts for Cardiac Science Corporation, Criticare systems Inc and Unitexis Vascular Inc have been received subsequent to 30-5-2014. All the above step-down subsidiaries have contributed to the extent of Rs.121,293 Lacs in assets and Rs. 77,042 Lacs in Revenue.

Under annexure to Auditors report for Standalone financial statements not covered above;

The Company has made representations for waiver of Cost Audit through the relevent trade bodies, as its operations are predominantly in SEZ. The Company is confident that its representations are being heard and that the request seeking waiver of Cost Audit would be accepted.

With regard to term loan, the Company could not repay the last two instalments due to temporary liquidity issues in Quarter 4, as it has to meet statutory payments in priority. However Company is making efforts to repay the overdue instalments during the current financial year.

## ACKNOWLEDGEMENTS

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

For and on behalf of the Board

**VINOD RAMNANI**

Chairman & Managing Director

Place: Bengaluru

Date: 12th August 2014

# REPORT ON CORPORATE GOVERNANCE

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

## 1. PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

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

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

## 2. BOARD OF DIRECTORS

### (i) Composition and provisions as to Board and Committees

The Board of Directors of the Company comprises 8 (Eight) Directors. Mr. Vinod Ramnani is the Chairman & Managing Director. During the year 2013-14, 05 (Five) Board Meetings were held on:

Sl. No.	Date of Meeting	Sl. No.	Date of Meeting	Sl. No.	Date of Meeting
01	30.05.2013	02	13.08.2013	03	30.09.2013
04	12.11.2013	05	14.02.2014		

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

Name & Category	Date of Appointment	No. of Board Meetings Attended	No. of Memberships on the Board of other Companies	Memberships of Board Committees in all Companies*	Chairmanship of Board Committees in all Companies**	Whether last AGM Attended
Mr. Vinod Ramnani   Promoter	08.06.1992	05	04	02	NIL	YES
Mr. Jayesh C Patel   Promoter	03.04.2000	01	01	NIL	NIL	YES
Mr. Thomas Dietiker   Promoter	03.04.2000	01	NIL	NIL	NIL	YES
Dr. Suleman Adam Merchant   Independent	20.08.2001	05	01	01	02	YES
Mr. Rajkumar Raisinghani   Independent	31.12.2005	05	03	05	01	YES
Mr. V. Balasubramaniam   Independent	31.12.2005	02	02	NIL	03	YES
Dr. Anvay Mulay   Independent	31.12.2005	04	03	01	NIL	YES
Mr. Bodapati Bhaskar   Director	22.05.2013	04	01	01	NIL	NO



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

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

Change in the Composition of Board of Directors since the date of last AGM held on 30.09.2013;

Dr. William Walter O' Neill ceased to be a Director of the Company with effect from 30.09.2013.

Mr. Vivek Ramnani and Mr. Ashwin Khemani ceased to be Alternative Directors of the Company with effect from 30.09.2013.

#### **Appointment / re-appointment**

In terms of provisions of Section 149,150,152 and 160 read with Schedule IV of the Companies Act, 2013, Independent Directors are not liable to retire by rotation. It is proposed to appoint Mr. Rajkumar Tulsidas Raisinghani (DIN: 01411084) and Dr.Anvay Vinayak Mulay (DIN: 01479415), who are liable to retire by rotation at the ensuing AGM, as Independent Directors at the AGM for a period of three years with effect from the date of the AGM.

Pursuant to the provisions of the Companies Act, 2013 Mr. Jayesh Chandrakant Patel (DIN: 01338843),and Mr. Thomas Dietiker (DIN: 01424625) retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment as Directors.

Brief resume of the Directors seeking appointment / re-appointment at the AGM, as required under Clause 49 of the Listing Agreement and Companies Act 2013, forms part of the Notice convening the AGM.

#### **Code of Conduct:**

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

### **3. AUDIT COMMITTEE**

(i) The Company has a qualified and independent Audit Committee with three members.

(ii) The Audit Committee of your Company comprises of

following members:

<b>Name of the Member</b>	<b>Designation</b>
Mr. V. Balasubramaniam	Chairman
Mr. Bodapati Bhaskar	Member
Mr. Rajkumar Raisinghani	Member

The Audit Committee has the following powers:

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

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

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required 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. Qualifications in the draft audit report
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses

/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Committee shall have such powers and rights as are prescribed under the provisions of the Listing Agreement and Section 177 of the Companies Act, 2013 and the rules made there under, as notified or may be notified from time to time.

(iii) Four Audit Committee meetings were held during the year 2013-2014. The attendance is as follows:

Name	No. of Meetings Attended
Mr. V Balasubramaniam	04
Mr. Bodapati Bhaskar	04
Mr. Rajkumar Raisinghani	04

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

#### 4. NOMINATION REMUNERATION COMMITTEE AND REMUNERATION TO DIRECTORS

In accordance with the provisions of Section 178 of the Companies Act, 2013 and the Rules made there under ('the Act') and the Listing Agreement, the Remuneration Committee is renamed as Nomination and Remuneration Committee.

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the Rules made there under the terms of reference, roles and responsibilities of the Committee were restated as follows:

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

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

S.No	Name of the Member	Designation
1.	Mr. V. Balasubramaniam	Chairman
2.	Dr. Suleman Adam Merchant	Member
3.	Mr. Rajkumar Raisinghani	Member

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

During the financial period 2013-2014, two Committee meetings were held. All the members were present at the meeting.

(iv) Remuneration policy:

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

them, the terms and conditions of which are approved by the Nomination & Remuneration committee, the Board as well as shareholders of the Company. No sitting fee is paid to the directors of the Company for attending the Board/ Committee meetings.

The remuneration policy of the Company is aimed at motivating the employees to excel in their performance. It also recognizes the contributions of the employees and aims to retain talent in the organization and reward merit. The remuneration paid is commensurate with industry standards.

(v) (a) The details of the remuneration paid to the Directors during the year 2013-14 are given below:

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

(b) During the year no payments were made to the non-executive directors of the Company.

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

(d) Mr. Vinod Ramnani, Chairman & Managing Director, has entered into service contracts with the Company. The notice period and the severance fee applicable to him are as follows:

I. No notice for termination needs be given by the Company within two years from the date of appointment. But, severance

compensation of twelve months remuneration is to be given by the Company.

II. Six months notice or payment in lieu of notice for termination by the Company is to be given after two years from the date of employment with no severance compensation.

III. However, if the termination is for "Cause" no notice or payment in lieu of notice be given by the Company.

IV. The Chairman and Managing Director may resign after two years from the date of appointment by giving three months notice to the Company.

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

The Stakeholders Relationship Committee consists of the following directors:

Dr. Suleman Adam Merchant	Chairman
Mr. Vinod Ramnani	Member
Mr. Rajkumar Raisinghani	Member

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

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Pursuant to provisions of Section 178(5) of the Companies Act, 2013 and the Rules made there under ('the Act'), the Shareholders / Investors Grievance Committee is re-named as Stakeholders' Relationship Committee.

S.No	Name of the Member	No of Meeting Attended
1.	Dr. Suleman Adam Merchant	01
2.	Mr. Vinod Ramnani	01
3.	Mr. Rajkumar Raisinghani	01

- (ii) Mr. Venkataraman Sundar Company Secretary acts as a Compliance Officer.
- (iii) During the Financial year, the total number of complaints received from the Stakeholders were 169.
- (iv) Number of Compliants replied / attended to the satisfaction of Stakeholders were 169.
- (v) No requests for transfers and for dematerialization were pending for approval as on 31st March 2014.

## 6. GENERAL MEETINGS:

- (i) & (ii) Location and time where last three Annual General Meetings were held and the Special Resolutions passed.

Financial Year	2010-11	2011-12	2012-13
Date, time and venue	28th September 2011 12.00 Noon St John/s Medical College Hospital Auditorium, Opp Koramangala BDA Complex, 100ft Road, Koramangala, Bengaluru - 560 034	29th September 2012 12.00 Noon Manipal County, No.65, Singasandra, Off Hosur Road, Bengaluru 560 068	30th September 2013 12.00 Noon Manipal County, No.65, Singasandra, Off Hosur Road, Bengaluru - 560 068
Special Resolutions passed	Increase in the Foreign Institutional investors investment limit up to 49% in the paid-up equity share capital of the Company.	(i) Approval of Employee Stock Option Scheme for the eligible employees of the Company. (ii) Approval of Employee Stock Option Scheme for eligible employees of the subsidiary Companies.	Nil

Details of Special Resolution passed through postal ballot and details of voting pattern during the period under review: Nil  
Details of Special Resolution which are required to be passed through Postal Ballot - Nil

## 7. DISCLOSURES:

- (i) Basis of related party transaction : Your Company places details with respect to related party transactions before the Audit Committee periodically. No transaction of a material nature has been entered into by the Company with Directors or Management and their relatives etc., that may have a potential conflict with the interest of the Company.
- (ii) There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or Stock Exchanges does not arise.
- (iii) Whistle Blower policy, now renamed and known as Vigil Mechanism Policy is at present not adopted, however your Company proposes to adopt the same during the Current Financial Year.
- (iv) All the mandatory requirements of Corporate Governance Clauses have been complied with by the Company and compliance with non-mandatory requirements have been detailed under SI No.10 of this report.
- (v) Disclosure of accounting treatments. Your Company

has followed all relevant accounting standards while preparing the financial statements.

- (vi) Risk management  
The Company has laid down risk assessment and minimization procedures which are in line with the best practices in the industry and as per its experience and objectives. The risk management system is reviewed periodically and updated.
- (vii) Proceeds from public issues, rights issues and preferential issues etc.: Proceeds from the follow on public issue made during 2006 have been fully utilized.
- (viii) No significant material transaction has been made with the non-executive directors vis-à-vis the Company.
- (ix) The number of shares held by the Directors as on 31st March 2014 are as follows:

Name	No. of shares	% of holding
Mr. Vinod Ramnani	34043581	14.05
Mr. Jayesh C Patel	11815983	4.88
Mr. Thomas Dietiker	13076150	5.40
Dr. Suleman Adam Merchant	280160	0.11

Dr. Anvay Mulay	4325	0.00
Mr. V. Balasubramaniam	25857	0.01
Mr. Rajkumar Raisinghani	24700	0.01
Mr. Bhaskar Bodapati	1300	0.00

(x) CEO/CFO certification

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

## 8 A. MEANS OF COMMUNICATION

(i) & (ii) The Annual, Half Yearly and Quarterly Financial Results are regularly submitted to the Stock Exchanges in accordance with the Listing Agreement and published in leading newspapers like The Economic Times, Business Standard and other local newspapers.

(iii) The financial results of the Company are displayed on the Company's website www.optoindia.com.

(iv) & (v) The official presentations made to the Institutional investors and the analysts are also displayed on the Company's website www.optoindia.com.

Financial year	1st April to 31st March
<b>(iii) Details of Book Closure</b>	From 26th September 2014 to 30th September 2014 (both days inclusive).
<b>(iv) Dividend payment</b>	Nil
<b>(v) Listing of Equity Shares on Stock Exchanges</b>	Bombay Stock Exchange Limited Phiroze jeejeebhoy Towers, Dalal Street, Fort, MUMBAI - 400 001  National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), MUMBAI - 400 051
<b>(vi) Stock Code</b>	
a. Trading code/symbol Bombay Stock Exchange code National Stock Exchange code	532391 OPTOCIRCUI
b. Demat ISIN Number in NSDL and CDSL for equity shares	INE808B01016
c. Listing fee	Paid
<b>(vii) CIN</b>	L85110KA1992PLC013223

## B. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report is part of the Annual Report and is captioned "Management Discussion and Analysis" in the Directors Report.

## 9. GENERAL SHAREHOLDER INFORMATION

<b>(i) Annual General Meeting</b>	
Date & Time	Tuesday, the 30th September 2014, at 12.00 noon
Venue	Manipal County, No.65, Singasandra, Off Hosur Road, Bengaluru 560 068
<b>(ii) Financial Calendar (Tentative)</b>	
Results	Reporting
Quarter 30th June 2014	On or before 15th August 2014
Quarter 30th September 2014	On or before 15th November 2014
Quarter 31st December 2014	On or before 15th February 2015
Quarter 31st March 2015	On or before 31st May 2015
AGM for approval of the Audited accounts for the year ended 31st March 2015	On or before 30th September 2015

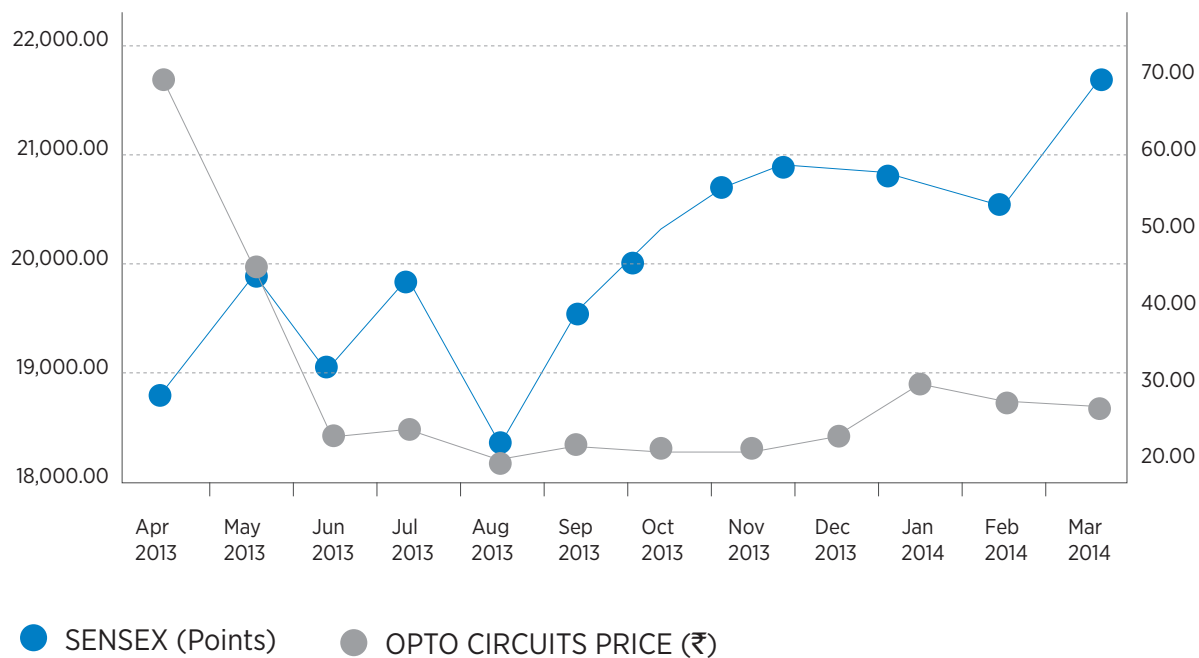
(vii) Stock Market Data:

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

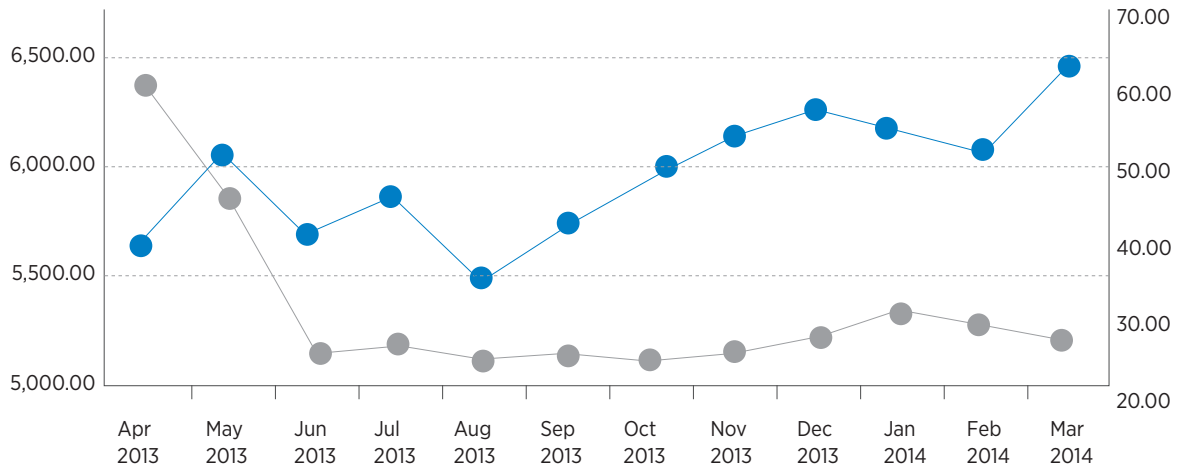
Month	BSE prices			NSE prices		
	High	Low	No. of shares	High	Low	No. of shares
April 2013	65.85	57.45	88,480	65.95	57.10	4,21,06,284
May 2013	61.15	29.90	1,06,875	61.15	29.75	6,06,12,981
June 2013	34.35	17.80	2,22,371	34.40	17.75	19,77,10,173
July 2013	32.65	20.00	2,50,901	32.65	20.00	16,92,93,972
August 2013	27.75	18.25	1,09,516	27.80	18.20	6,46,85,593
September 2013	27.35	20.25	59,735	27.35	20.25	4,36,55,905
October 2013	24.60	20.50	44,769	24.60	20.70	3,71,92,604
November 2013	24.50	21.25	25,079	24.50	21.20	1,90,07,108
December 2013	29.70	21.50	47,605	29.20	21.50	3,33,43,566
January 2014	36.30	25.90	1,15,424	36.40	25.80	7,50,16,546
February 2014	32.90	24.35	51,775	32.95	24.35	3,44,99,091
March 2014	29.95	25.95	24,946	30.05	22.75	1,86,97,777

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

### BOMBAY STOCK EXCHANGE LIMITED



## NATIONAL STOCK EXCHANGE OF INDIA LIMITED



● NIFTY (Points)      ● OPTO CIRCUITS PRICE (₹)

### (ix) Registrar & Transfer Agents

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

Karvy Computershare Pvt. Ltd.,  
No.17 to 24, Near Image Hospital, Vittal Rao Nagar,  
Madhapur, Hyderabad 500081  
Ph: 040 23420815 to 828, Fax: 040 23420814,  
Email: mailmanager@karvy.com

### (x) Share Transfer System

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

### (xi) Distribution of Shareholding as on 31st MARCH 2014

Sl. No.	Category		No. of Shareholders	% of Shareholders	Amount in ₹	% of Shareholding
	From	To				
01	01	500	65782	76.62	100637780.00	4.15
02	501	1000	9239	10.76	71705880.00	2.96
03	1001	2000	5316	6.19	79736090.00	3.29
04	2001	3000	1815	2.11	46040440.00	1.90
05	3001	4000	961	1.12	34164460.00	1.41
06	4001	5000	595	0.69	27782470.00	1.15
07	5001	10000	1159	1.35	83778250.00	3.46
08	10001	Above	992	1.16	1979348700.00	81.68
	<b>Total</b>		<b>85859</b>	<b>100.00</b>	<b>2423194070.00</b>	<b>100.00</b>

## Categories of Shareholders as on 31st MARCH 2014

Sl. No.	Description of Holders	No. of Shareholders	No. of Shares	% of Equity
01	Banks	08	484913	0.20
02	Clearing Members	210	612367	0.25
03	Employees	05	2326	0.00
04	Foreign Institutional Investors	56	70489671	29.09
05	Foreign Nationals	01	39	0.00
06	Foreign promoters	01	13076150	5.40
07	Hindu Undivided Family	1796	2103845	0.87
08	Indian Financial Institutions	06	3710544	1.53
09	Indian Promoters	03	55247440	22.80
10	Bodies Corporate	1177	12202473	5.04
11	Mutual Funds	01	3385	0.00
12	Non Resident Indians	1790	20144518	8.31
13	Resident Individuals	80800	64236788	26.51
14	Trusts	05	4948	0.00
	<b>Total</b>	<b>85859</b>	<b>242319407</b>	<b>100.00</b>

## (xii) Dematerialization of Share and Liquidity

As on 31st March 2014, 99.41% of the Company's total paid up capital, representing 240,892,815 shares, were held in dematerialized form and the balance 0.59%, representing 1,426,592 shares, were held in physical form.

## Secretarial Audit:

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

(xiii) There were no outstanding GDRs / ADRs etc., as on 31st March 2014.

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

## (xv) Address for correspondence:

(a) Correspondence for shares held in physical form: Share transfer and communication regarding share certificate, dividends and change of address:

Karvy Computershare Pvt. Ltd.,  
No.17 to 24, Near Image Hospital, Vittal Rao Nagar,  
Madhapur, Hyderabad 500081  
Ph: 040 23420815 to 828, Fax: 040 23420814,  
Email: mailmanager@karvy.com

(b) For shares held in demat form to the depository participant.

(c) The company has designated investorsservices@optoindia.com as the e-mail for the purpose of registering complaints by investors.

(d) Disclosures regarding suspense account pursuant to SEBI circular no. SEBI/CFD/DIL/LA1/2009/24/04 dated 24th April 2009.

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



## 10. NON-MANDATORY REQUIREMENTS

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

For and on behalf of the Board

**VINOD RAMNANI**

Chairman & Managing Director

Place: Bengaluru

Date: August 12, 2014.

CERTIFICATES UNDER CORPORATE GOVERNANCE REPORT  
CERTIFICATE RELATING TO THE CODE OF CONDUCT FOR DIRECTORS/SENIOR MANAGEMENT

This is to certify that as per revised Clause 49 of the Listing Agreement the code of conduct has been laid down for the all the Board members and senior management of the Company. The Board members and senior management have affirmed compliance with Company's code of conduct for the year 2013-14.

VINOD RAMNANI  
Chairman & Managing Director

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

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

We have examined the compliance of the conditions of Corporate Governance by OPTO CIRCUITS (INDIA) LIMITED for the year ended 31st March 2014, as stipulated in Clause 49 of the Listing Agreement of the Company with Stock Exchanges in India.

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

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

For ANAND AMARNATH & ASSOCIATES  
Chartered Accountants

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

Place: Bengaluru  
Date: August 12, 2014.

# AUDITOR'S REPORT

To,  
The Members of  
OPTO CIRCUITS (INDIA) LIMITED, BENGALURU

## Report on the Financial Statements

We have audited the accompanying financial statements of Opto Circuits (India) Ltd, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that gives a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 control relevant to the Company's preparation and fair presentation of the financial statements 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 management, 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.

## Opinion

Subject to the note.7B forming part of financial statements (Notes) regarding non provision of Minimum Alternative Tax, In our opinion and to the best of our information and according to the explanations given to us, the financial statements gives the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## Emphasis of Matters:

(a) The Company has defaulted in payment of dividend to the shareholders to the tune of Rs.10.89 crores relating to financial year 2011-12

## Report on other Legal Regulatory Requirements.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

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

# AUDITOR'S REPORT

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

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

d) Subject to qualification in audit report in respect of Minimum alternative tax, in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956('the Act') read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act 2013.;

e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

## **FOR ANAND AMARNATH & ASSOCIATES**

Chartered Accountants

Firm Registration Number: 000121S

## **B K AMARNATH**

Partner

Membership Number: 26536

Place: Bengaluru

Date: 30th May 2014

# ANNEXURE TO AUDITORS REPORT

(The Annexure referred to in our Report of even date on the accounts of Opto Circuits (India) Limited for the year ended 31st March 2014)

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

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

(b) Physical verification of Fixed Assets is performed by the management in a regular programme for verification once in a year. In our opinion, the frequency of verification is reasonable, having regard to the size and the nature of its business.

(c) There was no substantial disposal of fixed assets during the year.

2. (a) We are informed that the physical verification of inventories except inventories lying with the third parties were conducted by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.

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

(c) The company has maintained proper records of inventories, according to the records produced to us; no discrepancies were noticed on verification between physical stocks and stock records.

3. (a) As per the explanation given to us the Company has given unsecured loans to the parties listed in the register maintained under section 301 of the Companies Act 1956., the rate of interest and other terms and conditions on such loans given are not prejudicial to the interest of the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken interest free loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 .

4. In our opinion and according to the information and explanations given to us, there is generally an adequate

internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. a) According to the information and explanation given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.

b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding Rs. 5, 00,000 in respect of each party during the year have been made at prices which are reasonable having regard to the prevailing market price at the relevant time

6. The Company has not accepted any deposits from the public covered under section 58A of the Companies Act, 1956.

7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.

8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act 1956 for the products of the company. Accordingly provisions of Clause 4 (viii) are not complied with. Also, the Company has not appointed a cost auditor and not filed cost audit report for the financial year 2011-12 and 2012-13 as required by the Ministry of Corporate affairs circular no.15/2011 dt 11th April 2011, as amended from time to time.

9. On the basis of records produced before us, the Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty and Service Tax. According to the information and explanations given to us,, there were no undisputed amounts payable in respect of Provident Fund, , Sales Tax, Customs Duty, Excise Duty ,Service Tax and Income Tax which were outstanding as on 31st March 2014 for a period of more than six months from

## ANNEXURE TO AUDITORS REPORT

the date on which they became payable.

**10.** The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.

**11.** During the year, the company has taken additional Term Loan amounting to Rs.7,75,00,000 from HDFC Bank Limited. During the year company has not defaulted in repayment of any of its dues to financial institutions and bank except last two instalments towards loans borrowed from DBS Bank amounting to Rs 9.82 crores.

**12.** In our opinion and according to the information and explanations given to us, and based on the documents and records produced to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities

**13.** In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special status applicable to Chit-Fund and Nidhi / Mutual Benefit Fund/ Societies, accordingly clause 4 (xii) of the order is not applicable. .

**14.** In our opinion, the Company is not dealing or trading in shares, securities, debentures or other investments and hence, the requirement of Clause 4 (xiv) of the order is not applicable to the company.

**15.** In our opinion and according to the information and explanations given to us, the terms and conditions on which the Company has given guarantee for loans taken by its subsidiaries from a bank are not prima-facie prejudicial to the interest of the Company.

**16.** In our opinion and based on information and explanations given to us by the management, term loans have been applied for the purpose for which they were obtained.

**17.** According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long term purpose. No long-term funds have been used to finance short-term assets except permanent working capital.

**18.** The Company has not made any preferential allotment

of shares to parties and companies covered in the register maintained under section 301 of the companies Act 1956,

**19.** During the year the company has not issued debentures during the financial year.

**20.** The Company has not raised any money by public issue during the year.

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

### FOR ANAND AMARNATH & ASSOCIATES

Chartered Accountants

Firm Registration Number: 000121S

### B K AMARNATH

Partner

Membership Number: 26536

Place: Bengaluru

Date: 30th May 2014

**BALANCE SHEET AS AT 31.03.2014**

Amount in ₹

Sl.No.	Particulars	Note No.	As at 31.03.2014	As at 31.03.2013
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholder's Funds</b>			
	(a) Share Capital	2	2,423,194,070	2,423,194,070
	(b) Reserves and Surplus	3	12,539,905,260	12,118,326,034
			<b>14,963,099,330</b>	<b>14,541,520,104</b>
<b>2</b>	<b>Non-Current Liabilities</b>			
	(a) Long-term borrowings	4	77,500,000	63,010
			<b>77,500,000</b>	<b>63,010</b>
<b>3</b>	<b>Current Liabilities</b>			
	(a) Short-term borrowings	5	8,636,573,002	8,007,802,580
	(b) Trade payables	6	372,257,644	554,157,120
	(c) Other current liabilities	7	1,083,176,570	1,637,258,340
	(d) short-term provisions	8	106,229,519	10,359,391
			<b>10,198,236,735</b>	<b>10,209,577,431</b>
	<b>Total</b>		<b>25,238,836,065</b>	<b>24,751,160,545</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	(a) Fixed assets			
	(i) Tangible assets	9	1,131,980,794	1,209,002,280
	(ii) Capital work-in-progress		12,883,084	12,883,084
			<b>1,144,863,878</b>	<b>1,221,885,364</b>
<b>2</b>	(a) Non-current investments	10	3,816,646,423	3,816,646,423
	(b) Deferred tax assets (net)	11	5,307,903	3,488,818
			<b>3,821,954,326</b>	<b>3,820,135,241</b>
<b>3</b>	<b>Current assets</b>			
	(a) Inventories	12	4,388,676,030	3,605,272,023
	(b) Trade receivables	13	6,150,063,119	5,842,621,777
	(c) Cash and Cash Equivalents	14	23,081,823	21,602,712
	(d) Short-term loans and advances	15	9,709,013,280	10,237,541,287
	(e) Other current assets	16	1,183,609	2,102,141
			<b>20,272,017,861</b>	<b>19,709,139,940</b>
	<b>Total</b>		<b>25,238,836,065</b>	<b>24,751,160,545</b>

The accompanying notes are an integral part of the Financial statements

For and on behalf of the Board of Directors

VINOD RAMNANI  
Chairman & Managing DirectorJAYESH PATEL  
DirectorPlace: Bengaluru  
Date: 30th May 2014

As per our report of even date

FOR ANAND AMARNATH & ASSOCIATES  
Chartered AccountantsB K AMARNATH  
PartnerMembership Number: 26536  
Firm Registration Number: 000121S

OPTO CIRCUITS (INDIA) LIMITED

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31.03.2014**

Amount in ₹

Sl. No.	Particulars	Note No.	For the year ended on 31.03.2014	For the year ended on 31.03.2013
I.	Revenue from operations	17	2,627,848,033	6,992,535,292
II.	Other Income	18	(16,759,250)	(22,726,846)
<b>III.</b>	<b>Total Revenue (I +II)</b>		<b>2,611,088,783</b>	<b>6,969,808,446</b>
	<b>Expenses:</b>			
	Cost of materials consumed	19	1,229,244,902	3,958,992,343
	Changes in inventories of FG, WIP & Stock-in-Trade	20	(34,987,462)	(39,887,665)
	Employee benefit expense	21	99,501,788	95,335,974
	Finance costs	22	535,819,486	220,025,935
	Depreciation and amortization expense	9	79,226,935	66,114,885
	Other expenses	23	184,980,647	220,490,799
<b>IV</b>	<b>Total Expenses</b>		<b>2,093,786,296</b>	<b>4,521,072,271</b>
V.	Profit before exceptional and extraordinary items and tax (III - IV)		517,302,487	2,448,736,176
VI.	Exceptional Items		NIL	NIL
VII.	Profit before extraordinary items and tax (V - VI)		517,302,487	2,448,736,176
VIII.	Extraordinary Items		NIL	NIL
<b>IX.</b>	<b>Profit before tax (VII - VIII)</b>		<b>517,302,487</b>	<b>2,448,736,176</b>
X.	Tax expense:			
	(1) Current tax	24	97,542,345	38,767,980
	(2) Deferred tax		(1,819,085)	(469,476)
<b>XI.</b>	<b>Profit/(Loss) for the period (IX - X)</b>		<b>421,579,227</b>	<b>2,410,437,672</b>
XII.	Earning per equity share:	26		
	(1) Basic		1.74	9.95
	(2) Diluted		1.74	9.95

The accompanying notes are an integral part of the Financial statements

**For and on behalf of the Board of Directors**VINOD RAMNANI  
Chairman & Managing DirectorJAYESH PATEL  
DirectorPlace: Bengaluru  
Date: 30th May 2014**As per our report of even date**FOR ANAND AMARNATH & ASSOCIATES  
Chartered AccountantsB K AMARNATH  
PartnerMembership Number: 26536  
Firm Registration Number: 000121S



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014**

Amount in ₹

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
<b>I CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	517,302,486	2,448,736,174
<b>Adjustments from non operating items</b>		
Amortisation and other non cash items	(1,819,085)	(469,476)
Depreciation	79,226,935	66,114,885
Interest paid on borrowings	535,819,486	220,025,936
Interest received of Fixed Deposit	-	(265,621)
Profit / (Loss) on sale of Fixed Asset	-	540,015
	<b>1,130,529,822</b>	<b>2,734,681,913</b>
<b>Adjustments for Working Capital</b>		
(Increase)/Decrease in Inventories	(783,404,006)	(950,798,562)
(Increase)/Decrease in loans & advances	529,446,539	(783,740,714)
(Increase)/Decrease in Sundry Debtors	(307,441,342)	(3,269,282,210)
(Increase)/Decrease in Current Liabilities	(630,669,118)	1,378,077,956
<b>Cash operating profit/ (loss) before income tax</b>	<b>(61,538,105)</b>	<b>(891,061,618)</b>
Income Tax	(95,723,260)	(38,298,504)
<b>Net Cash flow from operating activities</b>	<b>(157,261,365)</b>	<b>(929,360,122)</b>
<b>II CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest received on Fixed Deposit	-	265,621
Proceeds from Sale of Fixed Assets	-	5,600,101
Proceeds from sale/(Purchase) of Investments (Net)	-	344,675,000
<b>Total inflow of cash from investments</b>	<b>-</b>	<b>350,540,722</b>
(Purchase)/Sale of Fixed Assets	(2,205,451)	(542,275,240)
Payment/(Receipt) towards Capital Work in Progress	-	(43,872)
<b>Net Cash Flow from investing activities</b>	<b>(2,205,451)</b>	<b>(191,778,390)</b>

OPTO CIRCUITS (INDIA) LIMITED

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2014 (CONTD.)**

Amount in ₹

Particulars	Year ended 31.03.2014	Year ended 31.03.2013
<b>III CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds/(Repayment) of Secured Loans	768,677,169	1,214,147,110
Proceeds/(Repayment) of UnSecured Loans	(62,469,757)	301,230,894
<b>Inflow of Cash</b>	<b>706,207,412</b>	<b>1,515,378,004</b>
Interest paid on borrowings	(535,819,486)	(220,025,936)
Dividend & Dividend Tax	(9,442,000)	(608,585,000)
<b>Net cash flow from financing activities</b>	<b>160,945,926</b>	<b>686,767,068</b>
Total Increase in cash & cash equivalents during the year	1,479,110	(434,371,444)
Cash & cash equivalents at the beginning of the year	21,602,713	455,974,156
<b>Cash &amp; cash equivalents at the end of the year</b>	<b>23,081,823</b>	<b>21,602,713</b>

For and on behalf of the Board of Directors

VINOD RAMNANI  
Chairman & Managing DirectorJAYESH PATEL  
DirectorPlace: Bengaluru  
Date: 30th May 2014

As per our report of even date

FOR ANAND AMARNATH & ASSOCIATES  
Chartered AccountantsB K AMARNATH  
PartnerMembership Number: 26536  
Firm Registration Number: 000121S

# NOTE - 1 SIGNIFICANT ACCOUNTING POLICIES

## 1. SYSTEM OF ACCOUNTING

The financial statements are prepared in accordance with Indian Generally accepted Accounting principles (GAAP) under the historical cost convention on the accrual basis except for some financial instruments which are measured at fair value. GAAP comprises of accounting standards notified under section 211 (3C) of the Companies Act, 1956 (“the 1956 Act”) [which continues to be applicable in respect of section 133 of the Companies Act, 2013 (“the 2013 Act”) in terms of general circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs] and the relevant provision of the 1956 Act/2013 Act as applicable. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standards requires a change in the accounting policy hitherto in use.

## 2. REVENUE RECOGNITION

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

## 3. FIXED ASSETS

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

## 4. DEPRECIATION

Depreciation is provided on the straight line method at the rates specified under schedule XIV of the Companies Act, 1956 and on prorata basis on the additions made during the year.

## 5. INVENTORIES

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

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

## 6. RETIREMENT BENEFITS TO EMPLOYEES

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

## 7. INVESTMENTS

The investments are stated at cost.

## 8. DEFERRED TAX

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

## 9. FOREIGN CURRENCY TRANSACTIONS

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

## 10. PROVISION FOR TAXATION

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

## 11. EARNINGS PER SHARE

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

### For and on behalf of the Board of Directors

VINOD RAMNANI  
Chairman & Managing Director

JAYESH PATEL  
Director

Place: Bengaluru  
Date: 30th May 2014

### As per our report of even date

FOR ANAND AMARNATH & ASSOCIATES  
Chartered Accountants

B K AMARNATH  
Partner

Membership Number: 26536  
Firm Registration Number: 000121S

**NOTE 2 – SHARE CAPITAL**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Authorised:</b>		
300,000,000 Equity Shares of ₹ 10 each (PY 300,000,000 Equity Shares of ₹ 10/- each)	3,000,000,000	3,000,000,000
	<b>3,000,000,000</b>	<b>3,000,000,000</b>
<b>Issued:</b>		
242,581,307 Equity Shares of ₹ 10/- each (PY. 242,581,307 Equity Shares of ₹ 10/- each)	2,425,813,070	2,425,813,070
	<b>2,425,813,070</b>	<b>2,425,813,070</b>
<b>Subscribed and Paid up:</b>		
242,319,407 Equity Shares of ₹ 10/- Each fully paid up (PY. 242,319,407 Equity Shares of ₹ 10/- each)	2,423,194,070	2,423,194,070
<b>Total</b>	<b>2,423,194,070</b>	<b>2,423,194,070</b>

**NOTE 2A**

Particulars	As at March 31, 2014	As at March 31, 2013
	No. of shares	No. of shares
Reconciliation of the no. of shares outstanding at the beginning and at the end of the year:		
No of shares outstanding at the beginning of the year	242,319,407	242,319,407
<b>No. of shares outstanding at the end of the year</b>	<b>242,319,407</b>	<b>242,319,407</b>

OPTO CIRCUITS (INDIA) LIMITED

## NOTE 2B – NUMBER OF SHARES HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES IN THE COMPANY ARE AS FOLLOWS

Particulars	As on 31.03.2014		As on 31.03.2013	
	No. of shares held	% of Holding	No. of shares held	% of Holding
<b>Equity Shares:</b>				
(1) Vinod Parasram Ramnani	34,043,581	14.05%	34,043,581	14.05%
(2) HSBC Global Investment Funds A/c HSBC Global Investment Funds	16,592,408	6.85%	16,592,408	6.85%
(3) Genesis Indian Investment Company - General Sub Fund	13,530,601	5.58%	13,806,399	5.70%
(4) Thomas Dietiker	13,076,150	5.40%	13,076,150	5.40%
	As on 31.03.2014		As on 31.03.2013	
	No. of shares		No. of shares	
Equity Shares allotted as fully paid bonus shares during the last five years	56,756,863		122,677,123	

### NOTES:

The company has only one class of equity shares having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. During the year ended 31st March 2014, the amount of share dividend recognised distributed to equity shareholders was ₹ NIL (31st March 2013: ₹ NIL)

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

## NOTE 3 – RESERVES AND SURPLUS

Amount in ₹

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Securities Premium Account:</b>		
As per last Balance Sheet	4,117,137,076	4,117,137,076
	<b>4,117,137,076</b>	<b>4,117,137,076</b>
<b>General Reserve:</b>		
As per last Balance Sheet	1,266,987,752	1,016,987,752
Add: Transfer from Profit & Loss Account	-	250,000,000
	<b>1,266,987,752</b>	<b>1,266,987,752</b>
<b>Surplus:</b>		
As per last Balance Sheet	6,734,201,206	4,573,763,535
Add: Profit/(Loss) for the period	421,579,226	2,410,437,671
Transfer to reserves	-	250,000,000
	<b>7,155,780,432</b>	<b>6,734,201,206</b>
<b>Total</b>	<b>12,539,905,260</b>	<b>12,118,326,034</b>

## NOTE 3A – REMITTANCES IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

Particulars	Paid in Current year		Paid in Previous year	
	2013-14		2012-13	
Amount Remitted	NIL		3,263,637	
Dividend Related to financial year	2012-13		2011-12	
Number of non-resident shareholders	NIL		2	
Number of shares	NIL		1,087,879	

## NOTE 4 – LONG TERM BORROWINGS

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Term Loans		
- from Banks		
Secured	77,500,000	63,010
<b>Total</b>	<b>77,500,000</b>	<b>63,010</b>

## NOTE 4A – DETAILS OF REPAYMENT OF TERM LOANS

Nature of Facility	Lendor	Amount (₹)
Term Loan from Bank on Specific Fixed Assets	HDFC Bank Limited	77,500,000
Term Loan from Bank on Specific Fixed Assets (ECB Loan)	DBS Bank Limited	98,150,602
Term Loan from Bank on Hypothecation of Vehicles	Axis Bank Limited	46,406

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

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

3) Opto Circuits India Ltd has borrowed Vehicle loans from Axis Bank Limited. The current outstanding balance with Axis Bank Limited is ₹ 46,406 which will be repaid in monthly installments. The final installment of Axis Bank is slated for July 2014.

## NOTE 5 - SHORT TERM BORROWINGS

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Loans repayable on demand		
- from Banks		
Secured	8,245,795,525	7,554,555,346
	<b>8,245,795,525</b>	<b>7,554,555,346</b>
- from other parties		
Unsecured	390,777,477	453,247,234
	<b>390,777,477</b>	<b>453,247,234</b>
<b>Total</b>	<b>8,636,573,002</b>	<b>8,007,802,580</b>

OPTO CIRCUITS (INDIA) LIMITED

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

- 5.1.A ) Company has working capital facilities with State Bank of India. Hypothecation of Company's present and future movable fixed assets and current assets like stocks, raw materials, semi finished and finished goods, book debts, receivables, outstanding monies, bills, rights, stores, components, furniture and fittings; other movables, plant and machinery, vehicles and assets to be purchased out of bank finance. Pari Passu First Charge on the assets of the company. Equitable Mortgage on all the piece and parcel of land known as Sy. No. 62 part within the village limits of Doddathogur, Begur Hobli, Bangalore District containing by admeasuring 1.50 acre.
- 5.1.B) Company has obtained loans from DBS Bank Limited Hypothecation of the whole of the present and future stocks of raw materials, work in process, finished goods, semi finished goods, book debts, outstanding monies receivables, claims, bills, contracts, engagements, securities, investments, rights and assets belonging to the company, by way of first charge.
- 5.1.C) Company has working capital facilities with Indusind Bank Limited. These facilities are repayable on demand, secured by pari-passu charge on Stocks and Book Debts of the Company.
- 5.1.D) Company has working capital facilities with Standard Chartered Bank by hypothecation of the whole of the present and future stocks of raw materials, work in process and finished goods, book debts, outstanding monies, receivables, claims, bills, etc belonging to the company by way of paripassu charge. The company has also given the additional security of immovable property of its step down subsidiary M/s. Altron Hotels Private Limited comprising of all that piece and parcel of land measuring 0.90 Acres (3682.61 Smts) bearing V.P Khata No. 309, from out of land bearing Plot No. 24, Sy.No.14 of Konapaana Agrahara, Begur Hobli, Bangalore South Taluk 560100 together with buildings and structures standing thereon with all easement right, common right ingress and egress thereon.
- 5.1.E) Company has working facilities with Yes Bank Limited by hypothecation of Pari Passu charge on Current Assets of the borrower to cover loan amount plus costs, expenses, interest and other incidentals. Hypothecation of the whole of the Current Assets of raw material, semi finished & finished goods, stores and spares including consumable stores and spares relating to plant and machinery and other movables both present and future stored at Plot No.83, Electronics city, Bangalore South or wherever else in India and bills receivables and Book debts belonging to the Company.
- 5.1.F) Company has working capital facilities with The Bank of Nova Scotia by hypothecation of the whole of the present and future stocks of raw materials, work in process and finished goods, book debts, outstanding monies, receivables, claims, bills, etc belonging to the company by way of paripassu charge. The company has also given the security of immovable property of its Subsidiary Opto Infrastructure Limited comprising on all that piece and parcel of land known as Plot No's 2A1, 2A2, 2A3, 2A3(P3), 2B1, 2B2, 2C1, 2C2, 3,4,5,6,7,8,9 and 10 in survey numbers in the Hassan Sector Specific Hard Ware Zone Industrial area within the limits of villages Doddabasavanahalli and Chikkabasavanahalli, Shantigram Hobli, Hassan Taluk, Hassan dist. measuring an total extent of 250 acres.
- 5.2) The short term secured borrowings of ₹ 82,457.95 Lacs includes Cash credit facility of ₹ 14,545.51 Lacs with interest rate in the range of 11% p.a to 13% p.a, Preshipment Credit in Foreign Currency and bill discounting/Postshipment credit in Foreign currency facility of ₹ 31,911.84 Lacs with interest rate in the range of 4% p.a to 9% p.a ,Overdraft of Rs.36,000.59 Lacs with interest rate of 8 to 19.5%.
- 5.3) The short term interest free unsecured loans of ₹ 2,503.12 Lacs is from the Directors of the Company, ₹ 1,144.64 Lacs from the Subsidiaries director. The company has also borrowed ₹ 260.00 Lacs from the private finance with the interest rate of 15% to 24% which are repayable on short term basis.
- 5.4) Scotia bank has issued winding up notice dated 6<sup>th</sup> March 2014 for recovery of outstanding dues of ₹ 119 crores as on 31st March 2014. The Management is making efforts to negotiate and settle with said bank for longer repayment. If the Bank does not agree, the management will realise the debtors and will settle the account with said bank.
- 5.5) DBS Bank Limited, State Bank India has suspended charging the interest for the year ending 31st March 2014. However the company has provided for the interest in the books of accounts.



**NOTE 6 - TRADE PAYABLES**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Trade payables	226,077,263	435,765,916
Sundry Creditors for Subsidiaries	146,180,381	118,391,204
<b>Total</b>	<b>372,257,644</b>	<b>554,157,120</b>

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

The amount due to Micro and Small Enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the Company. The disclosures relating to Micro and Small Enterprises as at 31st March 2014 where the outstanding amount payable to them beyond 45 days are as under:

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
The total amount due to such enterprises beyond 45 days	3,367,981	2,546,062

There is no interest payments for such delayed payments

**NOTE 7 - OTHER CURRENT LIABILITIES**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Current maturities of long-term debt	98,197,008	127,471,385
Advance received from Customers	908,338	288,091
Inter Corporate Deposit received from Subsidiaries	468,540,475	983,970,773
Inter Corporate Deposit received from others	9,472,195	9,472,195
Provision for Dividend & Dividend Tax	490,765,909	500,207,909
Sundry Creditors for Capital goods	1,400,823	1,821,186
Unclaimed Dividend	7,165,015	7,938,386
Statutory Dues Payable	6,726,807	6,088,415
<b>Total</b>	<b>1,083,176,570</b>	<b>1,637,258,340</b>

There are no amounts due for payment to the Investor Education and Protection Fund under Sec 205 (C) of the Companies Act, 1956.

**NOTE 7A - CONTINGENT LIABILITY**

Particulars	As at 31.03.2014	As at 31.03.2013
Income Tax matters - The income tax department has raised a demand for tax for the AY 2004-05 for which the Department has filed a case before Income Tax appellate Tribunal. Pending disposal of this, the company has not provided liability for income Tax.	1,416,000	1,416,000
<b>Guarantees</b>		
Corporate Guarantee is extended to State Bank of India and State Bank of Travancore for the credit facility availed by Advanced Micronic Devices Limited	170,400,000	170,400,000
Corporate Guarantee is extended to Indusind Bank for the credit facility availed by Opto Cardiac Care Limited	875,000,000	500,000,000

## OPTO CIRCUITS (INDIA) LIMITED

**NOTE 7A - CONTINGENT LIABILITY(CONTD.)**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Corporate Guarantee is extended to Indusind Bank for credit facility availed by Eurocor GmbH (subsidiary of Opto Eurocor Health Care Limited),	600,998,000	556,350,400
Corporate Guarantee has been Given to Standard Chartered Bank and CIMB on behalf of Eurocor Asia Sdn Bhd	1,338,269,840	1,221,369,128
Corporate Guarantee is extended to DBS bank and HDFC bank for credit facility availed by Cardiac Science Corporation (Subsidiary of Opto Cardiac Care Limited)	3,305,489,000	2,991,411,500
Corporate Guarantee is extended to DBS bank for credit facility availed by Cardiac Science corporation (subsidiary of Opto Cardiac Care Limited)	1,802,994,000	1,631,679,000
Bank Guarantees issued on behalf of the Company by Banks	12,500,000	12,500,000

**NOTE 7B**

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

Amount in ₹

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

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

**NOTE 7C**

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

Amount in ₹

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

**NOTE 8 - SHORT-TERM PROVISIONS**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Tax provision less payments (Current tax)	97,542,345	-
Provision for Leave Encashment	7,817,977	7,222,542
Provision for Gratuity	869,197	3,136,849
<b>Total</b>	<b>106,229,519</b>	<b>10,359,391</b>

**NOTE 9 - FIXED ASSETS**

Amount in ₹

Particulars	Cost				Depreciation/Amortization/Diminution				Net Block	
	As at 1st April 2013	Additions during the year	Deductions during the year	As at 31st March 2014	Upto 31st March, 2013	For the year	On Deductions	Upto 31st March 2014	As at 31st March 2014	As at 31st March, 2013
<b>TANGIBLE ASSETS</b>										
Land	10,970,600			10,970,600	-			-	10,970,600	10,970,600
Bore Well	73,655			73,655	-			-	73,655	73,655
Office Building	4,347,218			4,347,218	1,563,515	70,859		1,634,374	2,712,844	2,783,703
Building	29,138,619			29,138,619	10,854,483	973,229		11,827,712	17,310,907	18,284,136
Apartment	12,685,605			12,685,605	4,012,608	423,699		4,436,307	8,249,298	8,672,997
GH Furniture & Fittings	657,328			657,328	138,131	21,955		160,086	497,242	519,197
Plant & Machinery	182,538,291			182,538,291	75,754,998	8,670,569		84,425,567	98,112,724	106,783,293
Furnitures & fittings	20,628,756			20,628,756	8,289,677	1,285,171		9,574,848	11,053,908	12,339,079
Computers	11,965,807	655,500		12,621,307	9,693,219	1,957,296		11,650,515	970,792	2,272,588
Office Equipments	7,806,722	895,046		8,701,768	1,359,958	377,413		1,737,371	6,964,397	6,446,764
Electrical Installations	11,157,177	654,905		11,812,082	4,775,578	560,989		5,336,567	6,475,515	6,381,599
Vehicles	49,064,774			49,064,774	37,729,194	4,661,154		42,390,348	6,674,426	11,335,580
Computers	88,000			88,000	88,000	-		88,000	-	-
Furnitures & fittings	233,562			233,562	152,467	14,551		167,018	66,544	81,095
Plant & Machinery	1,086,959,579			1,086,959,579	96,162,411	51,630,580		147,792,991	939,166,588	990,797,168
Furnitures & fittings	7,501,956			7,501,956	1,427,261	467,372		1,894,633	5,607,323	6,074,695
Computers	49,468,939			49,468,939	25,940,741	8,018,915		33,959,656	15,509,283	23,528,198
Office Equipments	227,723			227,723	24,892	10,817		35,709	192,014	202,831
Electrical Installations	1,652,605			1,652,605	224,693	78,499		303,192	1,349,413	1,427,912
Vehicles	40,710			40,710	13,520	3,867		17,387	23,323	27,190
<b>Total</b>	<b>1,487,207,626</b>	<b>2,205,451</b>	<b>-</b>	<b>1,489,413,077</b>	<b>278,205,346</b>	<b>79,226,935</b>	<b>-</b>	<b>357,432,281</b>	<b>1,131,980,796</b>	<b>1,209,002,280</b>
<b>Previous year</b>	957,974,582	542,275,240	(13,042,195)	1,487,207,626	219,041,965	66,065,460	(6,902,079)	278,205,346	1,209,002,280	738,932,614
Capital Work In Progress	12,883,084			12,883,084				-	12,883,084	12,883,084

<b>INTANGIBLE ASSETS</b>										
(Other than internally generated)										
Software Development Expenses	35,017,228			35,017,228	35,017,228	-		35,017,228	-	-
<b>Total</b>	<b>35,017,228</b>	<b>-</b>	<b>-</b>	<b>35,017,228</b>	<b>35,017,228</b>	<b>-</b>	<b>-</b>	<b>35,017,228</b>	<b>-</b>	<b>-</b>
<b>Previous year</b>	35,017,228	-	-	35,017,228	34,967,807	49,425	-	35,017,228	-	-

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**NOTE 10 - NON CURRENT INVESTMENTS**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
<b>NON CURRENT INVESTMENTS Unquoted</b>		
(Trade/Non-trade)		
<b>Investments in Equity Shares (Quoted)</b>		
Advanced Micronic Devices Limited 31,53,163 E.shares of ₹ 10.00 fully paid (aggregate cost of quoted investment ₹ 52,461,254 Market value ₹ 27,117,219 as on 31.03.2014 or as on last quoted date)	52,461,254	52,461,254
<b>Investments in Equity Shares (Unquoted)</b>		
Medi Aid Inc.,	445,549,475	445,549,475
Opto Eurocor Healthcare Limited	644,497,714	644,497,714
Devon Innovations	31,250,000	31,250,000
Ormed Medical Tech	8,501,430	8,501,430
Opto Infrastructure Limited	187,536,500	187,536,500
Opto Circuits (Malaysia) SDN BHD	446,300,000	446,300,000
Opto Cardiac Care Limited	2,000,550,050	2,000,550,050
<b>Total</b>	<b>3,816,646,423</b>	<b>3,816,646,423</b>

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

Amount in ₹

Nature of timing difference	As at 31.03.2014	As at 31.03.2013
Provision for Depreciation	5,307,903	3,488,818
<b>Deferred tax asset/(liability) net:</b>	<b>5,307,903</b>	<b>3,488,818</b>

**NOTE 11-A**

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

**NOTE 12 - INVENTORIES**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
(At lower of cost and net realisable value)		
Raw materials	3,481,562,315	2,733,145,770
Work - in - Progress	907,113,715	872,126,253
<b>Total</b>	<b>4,388,676,030</b>	<b>3,605,272,023</b>

**NOTE 13 - TRADE RECEIVABLES**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
(Unsecured, considered good unless otherwise stated)		
1) Debts due for a period exceeding six months		
Considered Good	1,688,202,064	783,526,882
Considered Doubtful	-	-
	<b>1,688,202,064</b>	<b>783,526,882</b>
2) Other Debts:		
Considered Good	4,461,861,055	5,059,094,895
	<b>4,461,861,055</b>	<b>5,059,094,895</b>
<b>Total</b>	<b>6,150,063,119</b>	<b>5,842,621,777</b>

**NOTE 14 - CASH AND CASH EQUIVALENTS**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Balances with banks in -		
Current Account	16,934,725	15,714,142
Margin Money	5,657,100	5,657,100
	<b>22,591,825</b>	<b>21,371,242</b>
Cash on hand	489,997	231,470
<b>Total</b>	<b>23,081,823</b>	<b>21,602,712</b>

**NOTE 15 - SHORT TERM LOANS AND ADVANCES**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
(Unsecured, considered good unless otherwise stated)		
Loans and Advances to related parties (giving details thereof)		
Advances to Suppliers & Services - Subsidiaries	354,743,234	1,015,447,447
Advances for Supply of Capital Goods - Subsidiaries	59,360,319	59,360,319
Inter corporate Deposits - Subsidiaries	7,122,067,477	6,877,238,823
	<b>7,536,171,030</b>	<b>7,952,046,589</b>
Others		
Advances to Suppliers & Services - Others	1,643,906,871	2,035,363,869
Advances for Supply of Capital Goods - Others	13,995,110	14,297,806
Other Advances & Deposits	15,741,716	15,262,614
	<b>1,673,643,697</b>	<b>2,064,924,288</b>
Taxes paid in advance less provisions (current tax)	499,198,554	220,570,410
<b>Total</b>	<b>9,709,013,280</b>	<b>10,237,541,286</b>

**NOTE 16 - OTHER CURRENT ASSETS**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Prepaid Expenses	1,183,609	2,102,141
<b>Total</b>	<b>1,183,609</b>	<b>2,102,141</b>

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**NOTE 17 - REVENUE FROM OPERATIONS**

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
Sale of products	2,627,848,033	6,992,535,292
<b>Total</b>	<b>2,627,848,033</b>	<b>6,992,535,292</b>

**NOTE 17A- EARNINGS IN FOREIGN EXCHANGE**

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
Sales	2,286,716,509	3,770,062,325
<b>Total</b>	<b>2,286,716,509</b>	<b>3,770,062,325</b>

**NOTE 18 - OTHER INCOME**

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
Interest income	-	265,621
Net gain on foreign currency transaction and translation	(16,759,250)	(22,992,467)
<b>Total</b>	<b>(16,759,250)</b>	<b>(22,726,846)</b>

**NOTE 19. COST OF MATERIALS CONSUMED**

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
Opening stock	2,733,145,770	1,822,234,873
Add: Purchases	1,977,661,447	4,869,903,240
Less: Closing stock	3,481,562,315	2,733,145,770
<b>Total</b>	<b>1,229,244,902</b>	<b>3,958,992,343</b>

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

Amount in ₹

Particulars	For the year ended on 31.3.2014		For the year ended on 31.3.2013	
	Value (₹)	Percentage ( % )	Value (₹)	Percentage ( % )
Imported	1,198,392,786	97.49%	3,797,221,371	95.91%
Indigenously obtained	30,852,116	2.51%	161,770,972	4.09%
<b>Total</b>	<b>1,229,244,902</b>	<b>100%</b>	<b>3,958,992,343</b>	<b>100%</b>

**NOTE 19B - CIF VALUE OF IMPORTS**

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
Raw materials	1,959,525,828	4,734,456,855
Components and Spare Parts	186,003	1,675,413
Capital Goods	-	532,340,667
<b>Total</b>	<b>1,959,711,831</b>	<b>5,268,472,935</b>

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

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
<b>Inventories at the end of the year:</b>		
Work-in-progress	907,113,715	872,126,253
	<b>907,113,715</b>	<b>872,126,253</b>
<b>Inventories at the beginning of the year:</b>		
Work-in-progress	872,126,253	832,238,588
	<b>872,126,253</b>	<b>832,238,588</b>
<b>Net (increase) / decrease</b>	<b>(34,987,462)</b>	<b>(39,887,665)</b>

## NOTE 21 - EMPLOYEE BENEFIT EXPENSE

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
Salaries and wages	84,570,505	78,161,035
Contribution to provident and other funds	4,418,268	6,992,994
Staff welfare expenses	10,513,015	10,181,945
<b>Total</b>	<b>99,501,788</b>	<b>95,335,974</b>

## NOTE 22 - FINANCE COSTS

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
Interest expense	520,833,857	157,446,695
Other borrowing costs	289,926	3,502,922
Bank Charges	14,695,703	59,076,318
<b>Total</b>	<b>535,819,486</b>	<b>220,025,935</b>

## NOTE 22A - FINANCE COST

During the year company has recovered from subsidiaries towards interest on the loan extended to them amounting to ₹ 3,981.19 lakhs which is arrived based on the average rate of interest paid to Bank on the amount borrowed by the company.

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## NOTE 23 - OTHER EXPENSES

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
<b>MANUFACTURING AND OPERATING COST</b>		
Insurance	3,228,489	4,299,408
Labour Charges & Job Work	14,548,546	14,024,057
Power & Fuel	6,830,781	9,277,682
R&D,Product Development Expenses	64,832,398	62,981,289
Repairs & Maintenance - Building	418,807	109,558
Repairs & Maintenance - Electricals & Others	570,410	828,471
Repairs & Maintenance - Plant & Machinery	1,326,091	2,244,099
Tooling Charges	105,248	154,948
<b>Total A</b>	<b>91,860,770</b>	<b>93,919,512</b>
<b>ADMINISTRATIVE EXPENSES:</b>		
Share Transfer charges	229,212	229,274
Advertisement & Trade Shows	1,622,362	3,195,715
Directors Remuneration	7,870,536	15,085,194
Electricity & Water Charges	2,758,483	2,744,601
General Expenses	1,237,570	1,245,480
Membership, Books & Periodicals	5,815	45,271
Miscellaneous expenses	11,236,000	6,000,000
Net loss on sale of assets	-	540,015
Office Maintenance	2,157,953	5,413,261
Postage, Telephone & Fax Charges	3,733,096	3,983,942
Printing & Stationery	7,135,220	7,228,971
Prior period items	551,354	9,546,960
Professional Consultancy Charges	13,958,954	8,640,530
Rates & Taxes	1,705,008	2,749,153
Rent	2,582,496	2,046,476
Travelling & Conveyance	4,470,276	11,216,850
<b>Total B</b>	<b>61,254,335</b>	<b>79,911,693</b>
<b>SELLING EXPENSES:</b>		
Business Promotion Expenses	355,065	297,903
Clearing Charges	6,984,397	7,483,529
Freight & Handling Charges	18,568,643	33,751,089
Packing Materials	5,957,437	5,127,073
<b>Total C</b>	<b>31,865,542</b>	<b>46,659,594</b>
<b>Total (A+B+C)</b>	<b>184,980,647</b>	<b>220,490,799</b>

1. The prior period expenses of ₹ 5,51,354 (PY ₹ 9,546,960) which consists of professional expenses of ₹ 206,743 ( PY ₹ 365,800) , Postage expenses of ₹ 6,333 (PY ₹ 5,311) , Clearing Charges ₹ 49,495 (PY NIL) ,Office Maintenance ₹ 56533 (PY NIL) ,Tax expenses along with interest of ₹ NIL (PY ₹ 8,909,217), Freight & Handling charges of ₹ 28,274 (PY ₹ 266,632) and Labour charges ₹ 203,976 (PY NIL).

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



## NOTE 23A - MISCELLANEOUS EXPENSES INCLUDE PAYMENT TO AUDITORS

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
Audit fees	7,500,000	4,500,000
Tax Audit fees	2,500,000	1,500,000
Other services	449,440	398,878
<b>Total</b>	<b>10,449,440</b>	<b>6,398,878</b>

## NOTE 23B - EXPENDITURE IN FOREIGN CURRENCY

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
Interest	4,629,304	8,206,743
Travel Expenses	31,689	545,793
Legal & Professional Charges	85,661	-
<b>Total</b>	<b>4,746,654</b>	<b>8,752,536</b>

## NOTE 24 - PROVISION FOR TAXATION

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
Current Tax	97,542,345	38,767,980
Deferred Tax	(1,819,085)	(469,476)
<b>Total</b>	<b>95,723,260</b>	<b>38,298,504</b>

## NOTE 25 - COMPUTATION OF NET PROFIT UNDER SECTION 198 READ WITH SECTION 349 AND SECTION 350 OF THE COMPANIES ACT, 1956 FOR THE YEAR ENDED MARCH 31, 2014.

Amount in ₹

Particulars	For the year ended on 31.3.2014	For the year ended on 31.3.2013
Profits Before Taxation	517,302,486	2,448,736,175
<b>Add:</b>		
Managerial Remuneration to Directors	7,870,536	15,085,194
Loss on Sale of Fixed Assets	-	540,015
Depreciation as per accounts	79,226,935	66,114,885
	<b>604,399,957</b>	<b>2,530,476,269</b>
<b>Less:</b>		
Depreciation as per Section 350 of the companies Act	79,226,935	66,114,885
Profit on Sale of Fixed Assets		
Net Profits as per 349 of the Companies Act, 1956	525,173,022	2,464,361,384
Remuneration to Managing and Wholetime Directors @ 10 % of the Net Profits ( maximum )	52,517,302	246,436,138
<b>Remuneration to Wholetime Directors ( Salary &amp; Perquisites )</b>	<b>7,870,536</b>	<b>15,085,194</b>

Note: As per the AGM approval dated 28.09.2010 Whole time Directors are eligible for Salary, Perquisites & Commission @ 3 % on Net Profits

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**NOTE 26- EARNINGS PER SHARE**

Amount in ₹

Particulars	For the year ended on 31.3.2014		For the year ended on 31.3.2013	
Profit after tax		421,579,226		2,410,437,671
Basic and Weighted average number of Equity Shares outstanding during the period		242,319,407		242,319,407
Nominal Value of Equity Shares		10		10
Basic Earnings per Equity Shares		1.74		9.95

**NOTE 27 - DETAILS OF FOREIGN CURRENCY EXPOSURES THAT ARE NOT HEDGED BY A DERIVATIVE INSTRUMENT OR OTHERWISE.**

Amount in ₹

Particulars	Amount in Foreign Currency		Equivalent amount in ₹	
	Current Year	Previous Year	Current Year	Previous Year
Sundry Creditors				
US\$	3,980,922	8,184,346	239,252,643	445,140,829
Euro	35,719	40,826	2,949,544	2,839,210
Loans and Advances received US\$	5,204,772	1,361,948	312,805,772	74,075,405
Bank Borrowings US\$	37,433,263	105,672,448	2,249,731,640	5,747,450,476
Sundry Debtors US\$	102,306,009	107,422,265	6,148,570,691	5,842,621,798
Loans and Advances Paid				
US\$	36,442,941	42,607,022	2,190,213,486	2,317,366,111
Euro	92,076	599,991	7,603,277	41,725,670
SG\$	20,452	20,452	976,254	894,732

## 28 SEGMENT INFORMATION : 28A PRIMARY SEGMENTS - BUSINESS SEGMENTS

Amount in ₹

Particulars	Sensors		Monitors		Others		Total Amount	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
<b>A SEGMENT REVENUE</b>								
Sales Revenue	1,580,083,499	3,068,784,396	938,622,230	3,223,418,872	109,142,304	700,332,024	2,627,848,033	6,992,535,292
Other Income							(16,759,250)	(22,726,846)
<b>B SEGMENT RESULTS</b>								
Profit/(Loss) after considering other income and before interest and tax)	724,477,712	1,291,634,652	430,363,893	1,229,672,104	50,042,398	250,603,189	1,204,884,002	2,771,909,945
Interest expenses and other borrowing cost							535,819,486	220,025,936
Other Un-allocable Expenditure							151,762,030	103,147,835
<b>Profit before tax</b>							517,302,486	2,448,736,174
<b>C SEGMENT ASSETS</b>								
Total Assets	7,025,165,884	5,233,526,678	4,173,182,539	4,577,335,260	485,254,603	858,917,222	11,683,603,026	10,669,779,160
<b>UNALLOCATED CORPORATE ASSETS</b>								
Total Assets	7,025,165,884	5,233,526,678	4,173,182,539	4,577,335,260	485,254,603	858,917,222	25,238,836,063	24,751,160,540
<b>D SEGMENT LIABILITIES</b>								
Unallocated Corporate Liabilities	224,740,978	270,164,663	132,964,044	240,781,269	16,861,784	44,287,549	374,566,805	555,233,481
<b>TOTAL LIABILITIES</b>								
Unallocated Corporate Liabilities							9,901,169,930	9,654,406,960
<b>E SEGMENT CAPITAL EXPENDITURE</b>								
SEGMENT FIXED ASSETS	-	810,837	655,500	527,828,000	1,549,951	13,680,275	2,205,451	542,319,112
<b>F DEPRECIATION / AMORTISATION</b>								
DEPRECIATION / AMORTISATION	47,637,904	30,807,738	28,298,502	29,329,823	3,290,529	5,977,323	79,226,935	66,114,885

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**28 B SECONDARY SEGMENTS - GEOGRAPHICAL SEGMENTS**

Amount in ₹

Particulars	Current Year	Previous Year
<b>i) Sales Revenue by Geographical Location of Customers (Net of Excise Duty)</b>		
Within India		-
Outside India	2,627,848,033	6,992,535,292
<b>ii) Carrying Amount of Segment Assets</b>		
Within India	25,238,836,062	24,751,160,540
Outside India		
<b>iii) Capital Expenditure</b>		
Within India	2,205,451	542,319,112
Outside India		-
<b>iv) Sales Revenue by Geographical Market</b>		
India		
Asia	1,942,601,196	6,596,825,272
America	655,231,075	266,269,870
Europe	30,015,762	129,440,150
Others		-

**NOTE 28C – BUSINESS SEGMENT INFORMATION**

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

- Sensors
- Monitors
- Others

**NOTE 28D – THE GEOGRAPHICAL SEGMENTS CONSIDERED FOR DISCLOSURE ARE AS FOLLOWS:**

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

**NOTE 29- RELATED PARTY DISCLOSURES****NOTE 29A - NAME OF THE RELATED PARTY AND NATURE OF RELATIONSHIP WHERE CONTROL EXISTS:**

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

## NOTE 29A – NAME OF THE RELATED PARTY AND NATURE OF RELATIONSHIP WHERE CONTROL EXISTS (CONTD.)

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

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

## NOTE 29B - RELATED PARTY TRANSACTIONS

Amount in ₹

Nature of Transactions & Name of Related Party	Description of Relationship	Amount of Transaction	
		2013-14	2012-13
<b>PURCHASES</b>			
<b>Raw Materials &amp; Consumables</b>			
Cardiac Science Corporation	Stepdown Subsidiary company	-	279,205
Mediaid Inc	Subsidiary Company	6,937,475	324,216
Criticare System Inc	Stepdown Subsidiary company	24,704,145	478,843
<b>Finished Goods</b>			
Mediaid Inc	Subsidiary Company	7,808,865	-
Criticare System Inc	Stepdown Subsidiary company	278,565,568	27,360,174
Advanced Micronic Devices Limited	Subsidiary Company	4,094,222	88,000
Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	45,010	436,224
Unetixs Vascular Inc	Stepdown Subsidiary company	163,050	4,239,407
Cardiac Science Corporation	Stepdown Subsidiary company	38,008,850	43,789,581
Opto Cardiac Care Ltd	Subsidiary Company	1,492,428	-
Criticare Systems(M) Sdn Bhd	Stepdown Subsidiary company	170,177	-
<b>Loans &amp; Advances (Debit Balance)</b>			
Advanced Micronic Devices Limited	Subsidiary Company	136,440,351	132,516,065
Opto Eurocor Healthcare Limited	Subsidiary Company	1,103,343,208	1,038,310,027
Opto Infrastructure Limited	Subsidiary Company	-	-
Criticare System Inc,	Stepdown Subsidiary company	59,360,319	11,837,757
N S Remedies Private Limited	Stepdown Subsidiary company	25,748,659	42,163,197

OPTO CIRCUITS (INDIA) LIMITED

**NOTE 29B - RELATED PARTY TRANSACTIONS (CONTD.)**

Opto Cardiac Care Limited	Subsidiary Company	5,692,142,567	6,152,257,475
Mediaid Inc	Subsidiary Company	313,417,444	292,692,794
Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	99,617,308	109,842,053
Eurocor Gmbh	Stepdown Subsidiary company	106,101,174	112,104,691
<b>Loans &amp; Advances (Credit Balance)</b>			
Cardiac Science Corporation	Stepdown Subsidiary company	111,337,438	13,525,750
Criticare System Inc	Stepdown Subsidiary company	162,237,985	-
Devon Innovations Private Limited	Subsidiary Company	129,957,019	119,487,725
Mediaid Inc	Subsidiary Company	12,952,747	-
Ormed Medical Technology Limited	Subsidiary Company	12,600,000	9,900,000
Opto Infrastructure Limited	Subsidiary Company	13,496,022	780,795,734
Unetixs Vascular Inc	Stepdown Subsidiary company	25,959,264	-
Vinod Ramnani	Key Management Personnel	146,939,038	156,163,584
Usha Ramnani	Key Management Personnel	64,373,548	66,501,578
Jayesh C Patel	Key Management Personnel	39,000,000	39,000,000
Srinivas M	Key Management Personnel	1,334,891	10,377,704
Bhaskar Valiveti	Key Management Personnel	113,130,000	113,204,368
<b>Sundry Debtors (Balances)</b>			
Mediaid Inc	Subsidiary Company	5,847,937	3,855,253
Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	525,332	437,344
Criticare Systems(M) Sdn Bhd	Stepdown Subsidiary company	175,732	-
Criticare Systems Inc	Stepdown Subsidiary company	26,074,023	-
Opto Cardiac Care Ltd	Subsidiary Company	1,492,428	-
Cardiac Science Corporation	Stepdown Subsidiary company	1,197,188	-
<b>Sundry Creditors (Balances)</b>			
Advanced Micronic Devices Limited	Subsidiary Company	11,009	707,331
Criticare System Inc,	Stepdown Subsidiary company	70,572,127	2,506,490
Cardiac Science Corporation	Stepdown Subsidiary company	-	4,134
Mediaid Inc	Subsidiary Company	75,597,245	115,173,250
<b>Management Contracts including for Deputation of Employees</b>			
Directors Remuneration			
Vinod Ramnani	Key Management Personnel	7,870,536	7,870,536
Usha Ramnani	Key Management Personnel	-	7,214,658

**NOTE 30**

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

**For and on behalf of the Board of Directors**

VINOD RAMNANI  
Chairman & Managing Director

JAYESH PATEL  
Director

Place: Bengaluru  
Date: 30th May 2014

**As per our report of even date**

FOR ANAND AMARNATH & ASSOCIATES  
Chartered Accountants

B K AMARNATH  
Partner

Membership Number: 26536  
Firm Registration Number: 000121S

# REPORT OF THE AUDITORS TO

## THE BOARD OF DIRECTORS OF OPTO CIRCUITS (INDIA) LIMITED

### Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of OPTO CIRCUITS (INDIA) LIMITED and its subsidiaries (the Group) which comprise the consolidated balance sheet as at 31st March, 2014, the consolidated statement of Profit and loss and consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's responsibility for the consolidated financial statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India including accounting standard referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the Groups preparation and fair presentation of the consolidated financial statements 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 management, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Opinion

(a). Opto Circuits (India) Ltd has defaulted in payment of dividend to the shareholders to the tune of Rs.1089 lacs relating to financial year 2011-12.

(b). During the year State Bank of India appointed Subhas Patil & Co., a firm of independent Chartered Accountants to conduct stock audit of one of its subsidiary Advanced Micronic devices Ltd., and they have submitted their report dated 20.05.2014 stating that:

i. During the course of stock audit, auditors have observed that stock of Terminal and Multi Para Patient Monitor were non moving resulted in not being sold aggregating to Rs.1747 lacs. The company has not assessed realisable value of the non moving stock out of Rs. 1747 lacs. Accordingly the company has not provided for loss on non\_moving stock.

ii. Stock auditors have also notified bills receivable amounting to Rs.1967 lacs has not realised for more than 180 days. The company has not made proper assessment of the amount realisable from the above mentioned debtor. Accordingly company has not made provision for bad and doubtful debts. Accordingly the net loss for the year has been understated to that extent. And reserves and surplus, stock and debtors have been overstated by such amount.

## OPTO CIRCUITS (INDIA) LIMITED

(c). Advanced Micronic Devices Ltd has a branch at U S A. This branch has not been audited by any other independent auditors for any financial year and also the company has not produced any records for our verification to check the correctness of the entries. These entries are certified by the branch management, where in the branch share of assets is Rs.593.81 lacs. Our report in so far it relates to the amount included in respect of the branch is based solely on financial statements certified by the branch management. In the absence of independent audit we are unable to comment on the correctness of unaudited results of the above mentioned branch.

(d) Advanced Micronic Devices Ltd., has not obtained confirmation of balances of debtors outstanding as on 31.03.2014.

(e) With regard to one of the its step down subsidiary Cardiac Science Corporation for which Audited Financial statements for the year ended 31.03.2013 the audit was completed on 30.09.2013 and report were received after completion of our audit for that financial year. On review of audited accounts, we have observed from the audit report that company has incurred net loss during March 31, 2013 and as of that date, had working capital deficiency and accumulated deficit. Due to which, the auditor have expressed their opinion that the existing conditions raise substantial doubt about the company's ability to continue as a going concern.

(f) With regard to its step down subsidiary Eurocor GmbH, (wholly owned subsidiary of Opto Eurorocor Health care Ltd), financial statements has not been audited by any other independent auditors for financial year 2011-12 and 2012-13. These unaudited financial statements as approved by the respective Board of Directors of these companies have been furnished to us by the management and our report in so far it relates to the amount included in respect of the subsidiary is based solely on such approved unaudited financial statements. In the absence of audit report, we are unable to comment on the correctness of these accounts.

Subject to the Note.30B forming part of consolidated financial statements (Notes) regarding non provision of Minimum Alternative Tax of Opto Circuits (India) Ltd, and above qualifications, based on our audit as aforesaid, in our

opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of other auditors on the financial statements/ financial information referred to below in other matter paragraph ,the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

a) In the case of the consolidated balance sheet, of the state of affairs of OPTO CIRCUITS ( INDIA) LIMITED Group as at 31st March, 2014.

b) In the case of the consolidated statement of profit and loss of the profit for the year ended on that date, and

c) In the case of the consolidated cash flow statement of the cash flows of the group for the year ended on that date.

**Other Matters**

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



**Audited Financial statements:**

₹ in Lacs

Name	Relationship with Opto Circuits (India) Ltd	Contribution Towards Assets	Contribution Towards Revenue
N.S.Remedies, (subsidiary Of Opto Eurocor Health Care Ltd)	Step-down subsidiary	482.70	2.25
<b>Total (a)</b>		<b>482.70</b>	<b>2.25</b>

**Unaudited financial statements**

₹ in Lacs

Name	Relationship with Opto Circuits (India) Ltd	Contribution Towards Assets	Contribution Towards Revenue
Mediaid Inc U.S.A	Subsidiary	27277.14	13608.07
CardiacScience Corporation,USA (subsidiary Of Opto Cardiac Care Ltd)	Step-down subsidiary	69744.11	52385.60
Criticare Systems Inc, USA, (subsidiary Of Opto Cardiac Care Ltd)	Step-down subsidiary	47060.66	20753.64
Eurocor Asia Sdn Bhd, (subsidiary Of Opto Eurocor Health Care Ltd)	Step-down subsidiary	47378.37	6075.04
Eurocor Singapore Pte Ltd, (subsidiary Of Opto Eurocor Health Care Ltd)	Step-down subsidiary	26446.52	488.82
Opto Circuits(Malaysia)	Subsidiary	14981.80	783.00
Unitexs Vascular Inc.,USA, (subsidiary Of Opto Cardiac Care Ltd)	Step-down subsidiary	4489.00	3904.22
Eurocor Poland Sp Z.oo, (Step down subsidiary Of Opto Eurocor Health Care Ltd)	Step-down subsidiary	143.63	220.12
Eurocor Gmbh, (subsidiary Of Opto Eurocor Health Care Ltd)	Step-down subsidiary	37032.78	12662.31
<b>Total (b)</b>		<b>274554.01</b>	<b>110880.82</b>
<b>Grand Total (a+b)</b>		<b>275036.71</b>	<b>110883.07</b>

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

₹ in Lacs

	Audited Financial statements	Unaudited financial statements	Consolidated financial statements (Opto circuits(india) Ltd group)
Revenue	2.25	110880.82	110883.07
Assets	482.70	274554.01	275036.71

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

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

**For ANAND AMARNATH & ASSOCIATES**

Chartered Accountants

Firm Registration Number: 000121S

**B.K. AMARNATH**

Partner

Membership Number: 26536

Place: Bengaluru

Date: 30th May 2014

**CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2014**

Amount in ₹

Sl.No.	Particulars	Note No.	As at 31.03.2014	As at 31.03.2013
<b>I</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholder's Funds</b>			
	(a) Share Capital	1	2,423,194,070	2,423,194,070
	(b) Reserves and Surplus	2	19,864,777,132	18,396,068,636
			<b>22,287,971,202</b>	<b>20,819,262,706</b>
<b>2</b>	<b>Minority Interest</b>		<b>196,394,397</b>	<b>205,889,251</b>
<b>3</b>	<b>Non-Current Liabilities</b>			
	(a) Long-term borrowings	3	1,923,584,068	2,257,493,970
	(b) Long term provisions	5	20,738,964	27,462,948
			<b>1,944,323,032</b>	<b>2,284,956,918</b>
<b>4</b>	<b>Current Liabilities</b>			
	(a) Short-term borrowings	6	11,763,545,394	10,946,770,106
	(b) Trade payables	7	2,743,395,925	4,084,173,431
	(c) Other current liabilities	8	3,975,421,185	4,283,331,726
	(d) Short-term provisions	9	728,733,553	702,750,132
			<b>19,211,096,057</b>	<b>20,017,025,394</b>
	<b>Total</b>		<b>43,639,784,688</b>	<b>43,327,134,269</b>
<b>II</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	<b>(a) Fixed assets</b>			
	(i) Tangible assets	10	5,157,487,278	5,179,393,769
	(ii) Intangible assets		1,720,595,550	2,005,663,449
	(iii) Capital work-in-progress		465,572,106	444,562,621
			<b>7,343,654,934</b>	<b>7,629,619,840</b>
	<b>Goodwill on Consolidation</b>		<b>4,211,399,630</b>	<b>4,491,334,918</b>
	(b) Non-current investments	11	109,000	109,000
	(c) Deferred tax assets (net)	4	707,383,185	636,760,476
	(d) Long term loans and advances	12	834,480	834,480
	(e) Other non-current assets	13	714,558,519	568,460,564
			<b>1,422,885,184</b>	<b>1,206,164,521</b>
<b>2</b>	<b>Current assets</b>			
	(a) Inventories	14	7,891,328,404	7,443,048,888
	(b) Trade receivables	15	17,271,041,891	15,894,022,428
	(c) Cash and Cash Equivalents	16	201,485,661	431,689,955
	(d) Short-term loans and advances	17	5,088,728,170	6,008,916,670
	(e) Other current assets	18	209,260,815	222,337,049
			<b>30,661,844,941</b>	<b>30,000,014,991</b>
	<b>Total</b>		<b>43,639,784,688</b>	<b>43,327,134,269</b>

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

**For and on behalf of the Board of Directors**VINOD RAMNANI  
Chairman & Managing DirectorJAYESH PATEL  
DirectorPlace: Bengaluru  
Date: 30th May 2014**As per our report of even date**FOR ANAND AMARNATH & ASSOCIATES  
Chartered AccountantsB K AMARNATH  
PartnerMembership Number: 26536  
Firm Registration Number: 000121S

OPTO CIRCUITS (INDIA) LIMITED

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2014

Amount in ₹

Sl.No.	Particulars	Note No.	For the year ended on	
			31.03.2014	31.03.2013
I.	Revenue from operations	19	14,080,078,890	23,993,547,473
II.	Other Income	20	633,179,282	73,091,982
<b>III.</b>	<b>Total Revenue (I +II)</b>		<b>14,713,258,172</b>	<b>24,066,639,455</b>
IV.	Expenses:			
	Cost of materials consumed	21	7,992,659,074	13,650,511,254
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	22	55,317,685	(185,497,178)
	Employee benefit expense	23	1,585,836,608	1,996,934,248
	Finance costs	24	1,371,419,187	1,092,354,551
	Depreciation and amortization expense	10	757,013,802	959,513,962
	Other expenses	25	1,807,752,182	2,583,095,203
	<b>Total Expenses</b>		<b>13,569,998,538</b>	<b>20,096,912,039</b>
V.	Profit before exceptional and extraordinary items and tax (III - IV)		1,143,259,634	3,969,727,416
VI.	Exceptional Items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		1,143,259,634	3,969,727,416
VIII.	Extraordinary Items		23,116,299	114,889,765
<b>IX.</b>	<b>Profit before tax (VII - VIII)</b>		<b>1,120,143,335</b>	<b>3,854,837,651</b>
X.	Tax expense:	26		
	(1) Current tax		224,188,064	47,807,860
	(2) Deferred tax		(4,444,940)	(16,589,187)
XI.	Profit(Loss) for the period after Tax (IX-X)		900,400,210	3,823,618,977
XII.	Share of Minority Interest		(9,322,959)	25,471,929
<b>XIII.</b>	<b>Profit/(Loss) for the period (XI - XII)</b>		<b>909,723,169</b>	<b>3,798,147,048</b>
XIV.	<b>Earning per equity share:</b>	27		
	(1) Basic		<b>3.75</b>	<b>15.67</b>
	(1) Diluted		<b>3.75</b>	<b>15.67</b>

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

**For and on behalf of the Board of Directors**

VINOD RAMNANI  
Chairman & Managing Director

JAYESH PATEL  
Director

Place: Bengaluru  
Date: 30th May 2014

**As per our report of even date**

FOR ANAND AMARNATH & ASSOCIATES  
Chartered Accountants

B K AMARNATH  
Partner

Membership Number: 26536  
Firm Registration Number: 000121S

## CONSOLIDATED CASH FLOW AS ON 31ST MARCH 2014

Amount in ₹

Sl.No.	Particulars	March 31st 2014	March 31st 2013
<b>I</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net profit before tax & extraordinary items	1,143,259,634	3,969,727,415
	Adjustments for non operating items		
	Amortisation and other non cash items	497,685,578	(52,757,983)
	Depreciation	757,013,802	959,513,962
	Interest paid on borrowings	1,371,419,187	1,092,354,551
	Interest received on Fixed Deposit	(4,754,053)	(8,401,894)
	Profit / (Loss) Sale of Fixed Assets	(87,716,443)	5,577,838
		<b>3,676,907,704</b>	<b>5,966,013,889</b>
	Adjustments for working capital		
	(Increase)/Decrease in inventories	(448,279,516)	(2,325,344,043)
	(Increase)/Decrease in loans & advances	787,166,779	572,432,847
	(Increase)/Decrease in sundry debtors	(1,377,019,463)	(7,428,289,206)
	Increase/(Decrease) in current liabilities	(2,397,128,891)	1,960,585,519
	Cash operating profit/(loss) before income tax	241,646,613	(1,254,600,993)
	Income tax	(219,743,124)	(31,218,674)
	Cash flow from operating activities before extraordinary items	21,903,488	(1,285,819,666)
	Extraordinary items	(23,116,299)	(114,889,765)
	<b>Net cash flow from operating activities</b>	<b>(1,212,811)</b>	<b>(1,400,709,431)</b>
<b>II.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Interest received on Fixed Deposit	4,754,053	8,401,894
	Proceeds from Sale of Fixed Assets	87,716,443	(5,577,838)
	Change in Minority Interest	(9,494,853)	25,471,929
	<b>Total inflow of cash from investing activities</b>	<b>82,975,644</b>	<b>28,295,984</b>
	Purchase of Fixed Assets	(170,104,123)	(1,034,058,007)
	Payment towards Capital Work in Progress	(21,009,485)	(15,065,664)
	<b>Net cash flow from investing activities</b>	<b>(108,137,965)</b>	<b>(1,020,827,687)</b>

OPTO CIRCUITS (INDIA) LIMITED

## CONSOLIDATED CASH FLOW AS ON 31ST MARCH 2014 (CONTD.)

Amount in ₹

Sl.No.	Particulars	March 31st 2014	March 31st 2013
<b>III.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Proceeds/(Repayment) of Term Loans	443,232,381	(488,930,776)
	Proceeds/(Repayment) of Working Capital Loans	1,544,200,290	1,893,738,974
	Proceeds/(Repayment) of Unsecured Loans	(727,425,002)	1,408,428,205
	<b>Inflow of cash</b>	<b>1,260,007,669</b>	<b>2,813,236,403</b>
	Interest paid on borrowings	(1,371,419,187)	(1,092,354,551)
	Dividend	(9,442,000)	(610,712,936)
	<b>Net cash flow from financing activities</b>	<b>(120,853,518)</b>	<b>1,110,168,916</b>
	Total increase in cash & cash equivalents during the year	(230,204,293)	(1,311,368,202)
	Cash & cash equivalents at the beginning of the year	431,689,955	1,743,058,157
	<b>Cash &amp; cash equivalents at the end of the year</b>	<b>201,485,661</b>	<b>431,689,955</b>

Note: Figures in brackets represent outflows

**For and on behalf of the Board of Directors**

VINOD RAMNANI  
Chairman & Managing Director

JAYESH PATEL  
Director

Place: Bengaluru  
Date: 30th May 2014

**As per our report of even date**

FOR ANAND AMARNATH & ASSOCIATES  
Chartered Accountants

B K AMARNATH  
Partner

Membership Number: 26536  
Firm Registration Number: 000121S

# NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

## COMPANY OVERVIEW:

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

## SIGNIFICANT ACCOUNTING POLICIES

### 1. BASIS OF CONSOLIDATION & PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

The financial statements are prepared in accordance with Indian Generally accepted Accounting principles (GAAP) under the historical cost convention on the accrual basis except for some financial instruments which are measured at fair value. GAAP comprises of accounting standards notified under section 211 (3C) of the Companies Act, 1956 (“the 1956 Act”) [which continues to be applicable in respect of section 133 of the Companies Act, 2013 (“the 2013 Act”) in terms of general circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs] and the relevant provision of the 1956 Act/2013 Act as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to existing accounting standards requires a change in the accounting policies hitherto in use.

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

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

indirectly, owned or controlled by the Company.

#### • Use of Estimates

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

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

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

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

## 2. REVENUE RECOGNITION

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

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

## 3. PROVISIONS AND CONTINGENT LIABILITIES

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

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

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

## 5. DEPRECIATION AND AMORTIZATION

Depreciation on fixed assets is provided on the straight-line method based on useful lives of assets as estimated by the management. Depreciation for assets purchased/sold during the period is proportionately charged. Intangible assets are amortised over their respective individual estimated economic useful lives on a straight line basis commencing from the date the asset is available to the Group for its use. Leasehold improvements are written off over the lower of the remaining primary period of lease or the life of the asset.

## 6. LICENSE RIGHTS AND PATENTS

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

## 7. PRODUCT WARRANTIES

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

## 8. ACCOUNTS RECEIVABLE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

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

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

## 9. INVENTORIES

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

Type of Inventory	Method of valuation
Raw Materials including stores and spares	Valued at lower of cost and market value.
Work in Process	Valued at lower of cost and market value Work in Process includes cost incurred up to the stage of completion.



Finished Goods	<p>Valued at lower of cost and market value</p> <p>Finished goods include costs of conversion and costs incurred up to bringing the same to the location or stage of completion.</p>
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## 10. RETIREMENT BENEFITS

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

## 11. TAXES ON INCOME

### • Income Tax

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

### • MAT Provision

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

### • Deferred Tax

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

Deferred tax asset in the nature of unabsorbed depreciation

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

## 12. FOREIGN CURRENCY TRANSLATIONS

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

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

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

## 13. GOODWILL ON CONSOLIDATION

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

## 14. RESEARCH & DEVELOPMENT

Research and development costs, including technical know-how fees, incurred for development of products are expensed as and when incurred, except for development costs which relate to the design and testing of new or improved

materials, products or processes which are recognized as an intangible asset to the extent that it is expected that such assets will generate future economic benefits. Research and Development expenditure of a capital nature are shown as intangible assets and any expenditure is carried forward and amortized over the estimated useful life of assets.

## 15. INVESTMENTS

Investments other than investments in associates are valued at cost.

## 16. EARNINGS PER SHARE

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

## 17. LEASES

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

**For and on behalf of the Board of Directors**

VINOD RAMNANI  
Chairman & Managing Director

JAYESH PATEL  
Director

Place: Bengaluru  
Date: 30th May 2014

**As per our report of even date**

FOR ANAND AMARNATH & ASSOCIATES  
Chartered Accountants

B K AMARNATH  
Partner

Membership Number: 26536  
Firm Registration Number: 000121S

## CONSOLIDATED NOTES TO ACCOUNTS

### NOTE 1 – SHARE CAPITAL

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Authorized:</b>		
300,000,000 (PY 300,000,000) equity shares of ₹ 10 each	3,000,000,000	3,000,000,000
	<b>3,000,000,000</b>	<b>3,000,000,000</b>
<b>Issued:</b>		
242,581,307 Equity Shares of ₹ 10/- each (P.Y. 242,581,307 Equity Shares of ₹ 10/- each)	2,425,813,070	2,425,813,070
	<b>2,425,813,070</b>	<b>2,425,813,070</b>
<b>Subscribed and Paid up:</b>		
242,319,407 Equity Shares of ₹ 10/- each (P.Y. 242,319,407 Equity Shares of ₹ 10/- each)	2,423,194,070	2,423,194,070
<b>Total</b>	<b>2,423,194,070</b>	<b>2,423,194,070</b>

OUT OF THE ABOVE:

- a) 242,319,407 Equity Shares (PY 242,319,407) of Rs 10/- each fully paid-up allotted otherwise than for cash which includes Bonus shares of 1,22,677,123 allotted during the year 2011-12.
- b) 1,164,620 Equity Shares of Rs 10/- Each fully paid up on a Preferential basis during the year 2011-12

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

Particulars	As at 31.03.2014 No. of shares	As at 31.03.2013 No. of shares
No of shares outstanding at the beginning of the year	242,319,407	242,319,407
Add: Shares issued during the reporting period	-	-
No of shares outstanding at the end of the year	242,319,407	242,319,407

#### ANNEXURE 1

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

Particulars	As on 31.03.2014		As on 31.03.2013	
	No. of shares held	% of Holding	No. of shares held	% of Holding
<b>Equity Shares:</b>				
(1) Vinod Parasram Ramnani	34,043,581	14.04%	34,043,581	14.04%
(2) HSBC Global Investment Funds A/c HSBC Global Investment Funds	16,592,408	6.85%	16,592,408	6.85%
(3) Genesis Indian Investment Company - General Sub Fund	13,530,601	5.58%	13,806,399	5.70%
(4) Thomas Dietiker	13,076,150	5.40%	13,076,150	5.40%
	<b>as on 31.03.2014</b>		<b>as on 31.03.2013</b>	
	<b>No. of Shares</b>		<b>No. of Shares</b>	
Equity Shares allotted as fully paid bonus shares during the last five years	56,756,863		122,677,123	

NOTES:

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

During the year ended 31st March 2014, the amount of share dividend recognised distributed to equity shareholders was ₹ NIL (31st March 2013: NIL)

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

OPTO CIRCUITS (INDIA) LIMITED

## NOTE 2 - RESERVES AND SURPLUS

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Capital Reserves:</b>		
As per last Balance Sheet	-	-
Additions during the year	-	-
Less: Transfer to Bonus share	-	-
	-	-
<b>Securities Premium Account:</b>		
As per last Balance Sheet	4,344,718,356	4,344,718,356
Additions on shares issued during the year	-	-
Less: Bonus Issue of Shares	-	-
	<b>4,344,718,356</b>	<b>4,344,718,356</b>
<b>General Reserve:</b>		
As per last Balance Sheet	1,270,342,775	1,020,342,775
Add: Transfer from Profit & Loss Account	-	250,000,000
	<b>1,270,342,775</b>	<b>1,270,342,775</b>
<b>Foreign Currency Translation Reserve</b>		
As per last Balance Sheet	1,214,518,163	851,819,085
Add: Adjustment for translation of Non Integral Foreign Operations	558,985,329	362,699,078
	<b>1,773,503,492</b>	<b>1,214,518,163</b>
<b>Surplus:</b>		
As per last Balance Sheet	11,566,489,341	8,018,342,293
Add: Profit/(Loss) for the period	909,723,169	3,798,147,048
Less: Appropriations	-	-
Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Bonus shares	-	-
Transfer to reserves	-	(250,000,000)
	<b>12,476,212,510</b>	<b>11,566,489,342</b>
<b>Total</b>	<b>19,864,777,133</b>	<b>18,396,068,636</b>

## NOTE 3 - LONG TERM BORROWINGS

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Term Loans</b>		
- from Banks		
Secured	1,848,909,000	2,252,608,152
Unsecured	1,574,030	-
	<b>1,850,483,030</b>	<b>2,252,608,152</b>
- from other parties		
Secured	-	-
Unsecured	22,438,788	1,476,000
	<b>22,438,788</b>	<b>1,476,000</b>

**NOTE 3 – LONG TERM BORROWINGS (CONTD.)**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Loans and Advances from related parties</b>		
Secured	-	-
Unsecured	1,800,000	-
	<b>1,800,000</b>	<b>-</b>
<b>Long term maturities of finance lease obligations</b>		
Secured	48,862,250	-
Unsecured	-	2,821,782
	<b>48,862,250</b>	<b>2,821,782</b>
<b>Other loans and advances</b>		
Secured	-	488,035
Unsecured	-	100,000
	-	<b>588,035</b>
<b>Total</b>	<b>1,923,584,068</b>	<b>2,257,493,970</b>

**NOTE 3A**

Opto Circuits India Limited Term loans

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

2) Opto Circuits India Ltd has borrowed Vehicle loans from Axis Bank Limited. The current outstanding balance with Axis Bank Limited is ₹ 46,406 which will be repaid in monthly installments. The final installment is slated for July 2014.

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

**Opto Cardiac Care Ltd and its subsidiaries Term loans**

(i) Cardiac Science Corporation had loan of ₹ 18,029.94 lacs (\$30 million) with DBS Bank Ltd. The outstanding loan balance as of March 31, 2014 was ₹ 15,538.25 Lacs (\$25.85 million). Interest on borrowings is based on Libor plus 3.5% p.a. The loan is secured by pledging the shares of Cardiac Science Corporation USA, Hypothecation of Assets (movable and immovable) and Corporate guarantee given by Opto Circuits India Ltd. The company has not paid the instalment amounting to ₹ 4507.48 Lacs (\$7.5 million).

(ii) Opto Cardiac Care Ltd has a loan of ₹ 18,029.94 lacs (\$30 million). The outstanding loan balance as of March 31, 2014 was ₹ 15,565.85 Lacs (\$25.90 million). Interest on borrowings is based on Libor plus 3.5% p.a. The loan is secured by pledging the shares of Cardiac Science Corporation USA, Hypothecation of Assets (movable and immovable) and Corporate guarantee given by Opto Circuits India Ltd. The company has not paid the instalment amounting to ₹ 4507.48 Lacs (\$7.5 million)

(iii) Cardiac Science Corporation has obtained ₹ 9,014.97 Lacs (\$15 million) loan from HDFC Bank. The outstanding balance as on 31st March 2014 is ₹ 3,756.24 Lacs (\$ 6.25 million). Interest rate:- 3 months LIBOR plus 350 bps. This loan is secured by paripasu charge on Cardiac Science Corporation Current assets including Inventory, Debtors, Fixed assets including Plant equipment and Intangible assets. The company has not paid the installment of ₹ 2253.74 Lacs (\$3.75 million)

(iv) Criticare Systems Inc has obtained loan from Waukesha Bank USA by pledging its manufacturing Plant and Office Building. Equated Monthly Instalments is ₹ 6.32 Lac (\$10,522) till July 2014 and final balloon payment of all outstanding principal and interest will be made in August 2014. Interest rate is 5.25% PA. The loan outstanding as on 31st March 2014 is ₹ 829.13 Lacs (\$ 1.38 million)

(v) During the year ended 31 March 2014, Unetixs Vascular Inc has entered into a line of credit agreement with Waukesha Bank, providing the maximum borrowings upto \$ 1 million based on a percentage of eligible accounts receivable. Interest is payable at bank's prime rate i.e. 3.25%. On July 31, 2013, this

**OPTO CIRCUITS (INDIA) LIMITED**

loan was converted into term loan with interest accruing 7% PA. The loan outstanding as on 31.03.2014 is ₹ 315.59 Lacs (\$ 525,102). This agreement is substantially secured by all assets of the company. Additionally this agreement is also secured by Criticare Systems Inc which is also a wholly owned subsidiary of Opto Cardiac Care Limited

**Opto Eurocor Healthcare Ltd and its subsidiaries TermLoans**

(i) Eurocor Asia Sdn Bhd., a subsidiary of OEHL group has a loan of ₹ 1,207.55 Lacs (MYR 6.58 million) which is secured by a first fixed charge over the company's property, plant and equipment and bills receivables and guaranteed by ultimate holding company, Opto Circuits (India) Ltd. and repayment

over 36 months. Repayment is made in 8 equal quarterly installment commencing from May 2013. Interest at 5.5.% PA is charged. The loan outstanding as on 31.03.2014 is ₹ 1,241.69 Lacs (MYR 6.77 million)

(ii) The Long term maturities of finance lease obligations of ₹ 488.62 Lacs (MYR 2.66 million) represent the lease facilities granted by CIMB to Eurocor Asia, in relation to its Plant & Equipment which was acquired by hire purchase. The company has substantially assumed all the benefits and risk of ownership.

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

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

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Net operating loss carried forward	4,770,914,112	4,033,339,386
Depreciation/Amortization	(1,339,598)	(1,465,687)
Income tax credits	588,317,685	535,486,937
Others (net of all taxable and deductible timing differences including provisions/expenditure allowable under warranties, trade receivable, inventory etc)	397,531,389	358,728,822
Deferred Tax Assets	<b>5,755,423,588</b>	<b>4,926,089,459</b>
Valuation Allowance	5,048,040,404	4,289,328,983
<b>(iii) Deferred tax asset/(liability) net:</b>	<b>707,383,185</b>	<b>636,760,476</b>

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

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

## NOTE 5 - LONG- TERM PROVISIONS

Particulars	As at 31.03.2014	As at 31.03.2013
Provision for Leave Encashment	1,064,843	682,722
Provision for Warranty	16,010,895	23,117,000
Other Provisions	3,663,226	3,663,226
<b>Total</b>	<b>20,738,964</b>	<b>27,462,948</b>

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

**NOTE 5 – LONG- TERM PROVISIONS (CONTD.)**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Warranty liability, beginning of the period	23,117,000	24,823,007
Warranties issued	14,242,832	8,175,310
Settlements	(15,474,505)	(10,961,402)
Changes in pre-existing warranties	4,865,790	-
Difference in Exchange rate fluctuations	(10,740,222)	1,080,085
<b>Warranty liability, end of the period</b>	<b>16,010,895</b>	<b>23,117,000</b>

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

**NOTE 6 - SHORT TERM BORROWINGS**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Loans repayable on demand</b>		
<b>From Banks</b>		
Secured	10,896,640,664	9,353,502,440
Unsecured	1,432,056	369,990
	<b>10,898,072,720</b>	<b>9,353,872,431</b>
<b>From other parties</b>		
Secured	-	28,256,436
Unsecured	637,321,861	1,423,428,911
	<b>637,321,861</b>	<b>1,451,685,347</b>
<b>Loans and Advances from related parties</b>		
Secured	-	-
Unsecured	188,972,299	95,592,068
	<b>188,972,299</b>	<b>95,592,068</b>
<b>Other loans and advances</b>		
Secured	-	-
Unsecured	39,178,514	45,620,260
	<b>39,178,514</b>	<b>45,620,260</b>
<b>Total</b>	<b>11,763,545,394</b>	<b>10,946,770,106</b>

**6.1 Opto Circuits (India) Ltd working capital borrowings**

- 6.1.a ) The company has working capital facilities with State Bank of India by way of hypothecation of Opto Circuits India Ltd `s present and future movable fixed assets and current assets like, raw materials, semi finished and finished goods, book debts, receivables, outstanding monies, bills, rights, stores, components, furniture and fittings; other movables, plant and machinery, vehicles and assets to be purchased out of bank finance, Pari Passu First Charge on the assets of the company. Equitable Mortgage on all the piece and parcel of land known as Sy. No. 62 part within the village limits of Doddathogur, Begur Hobli, Bangalore District containing by admeasuring 1.50 acre.
- 6.1.b)The company has obtained loans from DBS Bank Limited by hypothecation on the whole of the present and future stocks of raw materials, work in process, finished goods, semi finished goods, book debts, outstanding monies receivables, claims, bills, contracts, engagements, securities, investments, rights and assets belonging to the company by way of first charge.
- 6.1.c) The company has working capital facilities with Indusind Bank Limited. These facilities are repayable on demand and secured by pari-passu charge on Stocks and Book Debts of the Company.
- 6.1.d) The Company has working capital facilities with Standard Chartered Bank by hypothecation of the whole of the present and future stocks of raw materials, work in process and finished goods, book debts, outstanding monies, receivables, claims, bills, etc belonging to the company by way of paripassu charge. The company has also given the additional security of immovable property to its step down subsidiary belonging to Opto Infrastructure Ltd. M/s. Altron Hotels Private Limited comprising of all that piece and parcel of land measuring 0.90 Acres (3682.61 Sqmts) bearing V.P Khata No. 309, from out of land bearing Plot No. 24, Sy.No.14 of Konapaana Agrahara, Begur Hobli, Bangalore South Taluk 560100 together with buildings and structures standing thereon with all easement right, common right ingress and egress thereon.
- 6.1.e) Company has working facilities with Yes Bank Limited by hypothecation of Pari Passu charge on Current Assets of the borrower to cover loan amount plus costs, expenses, interest and other incidentals. Hypothecation of the whole of the Current Assets of raw material, semi finished & finished goods, stores and spares including consumable stores and spares relating to plant and machinery and other movables both present and future stored at Plot No.83, Electronics city, Bangalore South or wherever else in India and bills

receivables and Book debts belonging to the Company.

- 6.1.f) Company has working capital facilities with The Bank of Nova Scotia by hypothecation of the whole of the present and future stocks of raw materials, work in process and finished goods, book debts, outstanding monies, receivables, claims, bills, etc belonging to the company by way of paripassu charge. The company has also given the security of immovable property of its Subsidiary Opto Infrastructure Limited comprising on all that piece and parcel of land known as Plot No's 2A1, 2A2, 2A3, 2A3(P3), 2B1, 2B2, 2C1, 2C2, 3,4,5,6,7,8,9 and 10 in survey numbers in the Hassan Sector Specific Hard Ware Zone Industrial area within the limits of villages Doddabasavanahalli and Chikkabasavanahalli, shantigramma Hobli, Hassan Taluk, Hassan dist. measuring a total extent of 250 acres.
- 6.1 g) The short term secured borrowings of ₹ 82,457.95 Lacs includes Cash credit facility of ₹ 14,545.51 Lacs with interest rate in the range of 11% p.a to 13% p.a, Preshipment Credit in Foreign Currency and bill discounting/Post shipment credit in Foreign currency facility of ₹31,911.84 Lacs with interest rate in the range of 4% p.a to 9% p.a ,Overdraft of Rs.36,000.59 Lacs with interest rate of 8 to19.5%.
- 6.1 h) The short term interest free unsecured loans includes Loans from the Directors of the Company and from the Subsidiaries directors. The company has also borrowed ₹ 260.00 Lacs from the private finance with the interest rate of 15% to 24% which are repayable on short term basis
- 6.1 i) Scotia bank has issued a winding up notice dated 06 March 2014 for recovery of outstanding dues of Rs. 119 crores. The Management is making efforts to negotiate and settle with said bank for a longer repayment term. If the Bank does not agree, the management will realize the debtors and will settle the account with said bank.
- 6.1 j) DBS Bank Limited, State Bank India have suspended charging the interest for the year ending 31st March 2014. However the company has provided for the interest in the books of accounts.

**OEHL and its subsidiaries group working capital borrowings**

- 6.2 a). Eurocor GmbH has obtained a working capital facility from Commertz Bank amounting to ₹ 6,200.97 lacs (Euro 7.51 Million)secured against accounts receivable and Inventories at an Interest rate of 5.5 %PA. Opto Circuits (India) Ltd has extended a Corporate Guarantee in this regard.
- 6.2 b). Amount due from a related company and others are unsecured and without fixed terms of repayment.
- 6.2 c). Eurocor Asia has obtained bank facilities from Standard Chartered Bank of ₹ 4,230.52 lacs (MYR 23.05 million) secured by a first fixed charge over the company's property, plant and equipment and bills receivables and guaranteed by ultimate holding company, Opto Circuits (India) Ltd. The effective interest rates range from 5.5% to 6.5% per annum.
- 6.2 d). Eurocor Asia has obtained a Foreign Currency Trade Loan (FCTL) from CIMB amounting to ₹ 1,729.42 lacs (MYR 9.42 million).
- 6.2 e). N S Remedies Private Ltd. has obtained a Overdraft from Andhra Bank amounting to ₹ 1.30 lacs.

**OCCL and its subsidiaries group working capital borrowings**

- 6.3 a). Criticare Systems Inc. had obtained a working capital borrowing from Waukesha State Bank. The Company had a ₹ 1202 Lac (\$2 million) line of credit with ₹ 846.05 Lacs (\$1.41 million) outstanding as of March 31, 2013 that was converted to a business note payable in August 2013. The outstanding amount as of March 31, 2014 was ₹ 578.60 Lac (\$962,725). The loan requires 59 equal payments of ₹ 14.35 Lac (\$23,871) consisting of principal and interest starting from September 2013 through August 2018. Borrowings under the note are limited to a borrowing base of qualified accounts receivable. The note bears interest at a fixed rate of 7.00% and is collateralized by a general business security agreement. At March 31, 2014 the line of credit had an interest rate of at prime of 3.25%.Since the Line of credit facility is converted into term loan, there is no short term borrowing in current year 2014.
- 6.3 b). Cardiac Science Corporation entered into a credit agreement with US Bank with a maturity date of 4th September,2014. The credit line of ₹ 6,009.98 Lacs (\$10 million) is covered by standby letter of credit issued by ICICI Bank. As of March 31,2014, the Company had an outstanding balance of ₹ 5798.82 Lacs (\$ 9.65 million).Interest on borrowings is annual average rate equal to 1.80% plus the one-month LIBOR.
- 6.3 c). Cardiac Science Corporation has taken a loan from DBS Bank for an amount of ₹ 1923.19 Lacs (\$ 3.20 million) in principal on short term credit facility. This loan bears interest at LIBOR plus 5.5% with stated maturity dates rolled over every 30 days through June 30, 2014.
- 6.3 d). Opto Cardiac Care Ltd has Preshipment Credit in Foreign Currency and Bill Discounting/Post shipment credit in Foreign Currency facility of Rs 5,777.96 Lacs with interest rate in the range of 7% to 8% pa. This facility is secured on Opto Cardiac Care Ltd`s Inventory and Debtors. This facility is in co-terminus with limits sanctioned to Opto Circuits India Ltd.

**Advanced Micronic Device Ltd working capital borrowings**

- 6.4 a). Advanced Micronic Device Ltd has obtained a working capital of ₹ 4381.49 Lacs and ₹ 79.48 Lacs from State Bank of India and State Bank of Travancore respectively. This borrowings are repayable on demand and secured against hypothecation of Stock, Debtors and Corporate Guarantee given by Holding Company Opto Circuits (India) Ltd. The loan carries interest rate ranging from 14.75% PA to 15.25% PA
- 6.4 b). Advanced Micronic Device Ltd has taken Vehicle loan of ₹ 29,389 from HDFC Bank Ltd. This is repayable before January 2015 and secured against Vehicles. The loans bears interest rate in the range of 10% PA to 13% PA
- 6.5 Other Loans and advances includes interest free unsecured advances received from other corporates/Directors on short-term

**NOTE 7 - TRADE PAYABLES**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Trade payables	2,743,395,925	4,084,173,431
<b>Total</b>	<b>2,743,395,925</b>	<b>4,084,173,431</b>



**NOTE 8 - OTHER CURRENT LIABILITIES**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Current maturities of long-term debt (refer note 3a)	2,109,321,483	1,331,317,426
Current maturities of finance lease obligations	-	861,775
Interest accrued and due on borrowings	-	4,745,537
Advance from Customers	371,919,426	622,949,998
Unpaid dividends	3,112,165	505,183,380
Unclaimed dividends	8,784,614	7,938,386
Statutory Dues Payables	673,336,686	274,825,751
Sundry Creditors for Capital goods	8,907,482	14,132,358
Sundry Creditors for Expenses	800,039,330	1,521,377,116
<b>Total</b>	<b>3,975,421,185</b>	<b>4,283,331,726</b>

Statutory dues payable includes provident fund, employees state insurance, professional tax, withholding taxes and other indirect taxes. There are no amounts due for payment to the Investor Education and Protection Fund u/s 205(c) of the Companies Act, 1956

AMDL has gone for VCE Scheme for Service tax for the period October 07 to December 12 amounting to ₹ 1,19,58,072 for Delhi Branch office and ₹ 36,51,445 for the Bangalore Branch office for the period July 12 to December 12. The company has paid 50% of the amount as on December 2013. The total outstanding amount as on 31.03.2014 is ₹ 59,79,036 for Delhi Branch and ₹ 18,14,722 for Bangalore Branch.

**NOTE 9 - SHORT-TERM PROVISIONS**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Income Tax provision less payments	430,071,313	250,454,092
Provision for Leave Encashment	7,817,977	7,222,542
Provision for Gratuity	5,698,498	12,933,136
Provision for Warranty	203,275,190	214,709,045
Provisions for AED Field Updates	36,059,880	176,896,472
Other provisions	45,810,696	40,534,846
<b>Total</b>	<b>728,733,553</b>	<b>702,750,132</b>

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

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Warranty liability, beginning of the period	214,709,045	206,008,762
Charged to product cost of revenues, net	61,446,637	117,213,551
Warranty expenditures	(42,535,994)	(121,531,477)
Warranty Liability transferred to purchaser of Cardiac Monitor division	(52,887,859)	-
Difference in Exchange rate fluctuations	22,543,362	13,018,208
<b>Warranty liability, end of the period</b>	<b>203,275,190</b>	<b>214,709,045</b>

9(b). Provision for voluntary field corrective action liability of AEDs

The movement in the provision for voluntary field corrective action liability is as follows

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Beginning of the Period	176,896,472	455,635,681
Reserve	(142,249,270)	(224,516,551)
Expenditure	(16,947,242)	(83,015,324)
Difference in Exchange rate fluctuations	18,359,920	28,792,666
<b>End of the Period</b>	<b>36,059,880</b>	<b>176,896,472</b>

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

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

**NOTE 10 - CONSOLIDATED FIXED ASSETS**

Amount in ₹

Particulars	Cost				Depreciation / Amortization				Net Block			
	As at 01.04.2013	Additions during the year	Deductions during the year	Adjustments	As on 31.03.2014	As on 01.04.2013	For the year	On Deductions	Adjustments	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
<b>TANGIBLE ASSETS</b>												
Land	515,746,570	-	(868,242)	4,585,871	519,464,200	-	-	-	1,406,253	1,406,253	518,057,947	515,746,570
Leasehold Premises	231,449,896	5,693,795	(67,610,652)	22,888,839	192,421,879	161,286,407	16,956,268	(62,093,111)	14,228,562	150,378,127	62,043,752	70,163,488
Borewell	73,655	-	-	-	73,655	-	-	-	-	-	73,655	73,655
Buildings	482,925,495	683,358	(13,831,660)	26,241,504	496,018,698	61,507,887	10,498,718	(5,259,901)	3,913,624	70,660,328	425,358,369	421,417,608
Apartments	12,685,605	-	-	-	12,685,605	4,012,608	423,699	-	-	4,436,307	8,249,298	8,672,997
Office Buildings	4,347,218	-	-	-	4,347,218	1,563,514	70,860	-	-	1,634,374	2,712,844	2,783,704
GH Furniture & Fixture	657,328	-	-	-	657,328	138,131	21,955	-	-	160,086	497,242	519,197
Plant & Equipment	4,695,393,524	975,825,981	(906,663,084)	246,141,770	5,010,698,191	982,177,141	282,467,844	(143,867,041)	115,539,525	1,236,317,468	3,774,380,723	3,713,216,383
Furniture & Fixtures	269,859,495	2,857,403	(53,279,537)	21,271,745	240,709,106	187,081,519	12,302,931	(50,672,703)	15,172,708	163,884,455	76,824,650	82,777,976
Computers	500,186,360	8,863,203	(2,680,917)	42,878,004	549,246,650	329,615,383	84,628,501	(2,181,162)	38,645,974	450,708,697	98,537,954	170,570,977
Electrical Installation	315,953,822	39,166,644	(51,814,419)	4,363,087	307,669,135	196,687,354	26,297,631	(48,767,276)	980,669	175,198,377	132,470,758	119,266,469
Vehicles	86,861,871	-	(1,351,281)	1,284,573	86,795,162	61,724,817	6,874,704	(1,248,085)	1,023,754	68,375,190	18,419,973	25,137,054
Office Equipment	113,372,660	2,583,478	(1,582,757)	11,484,374	125,857,775	86,255,827	18,676,725	(5,800,321)	(1,797,295)	97,334,936	28,522,839	27,116,853
Overseas Assets	31,593,909	-	-	3,316,693	34,910,602	9,663,071	12,282,212	-	1,628,043	23,573,326	11,337,276	21,930,838
<b>Total</b>	<b>7,261,107,429</b>	<b>1,035,673,862</b>	<b>(1,099,682,548)</b>	<b>384,456,460</b>	<b>7,581,555,202</b>	<b>2,081,713,660</b>	<b>471,502,048</b>	<b>(319,889,601)</b>	<b>190,741,817</b>	<b>2,424,067,924</b>	<b>5,157,487,278</b>	<b>5,179,393,769</b>
<b>Previous year</b>	<b>6,440,342,892</b>	<b>1,032,939,777</b>	<b>(492,114,658)</b>	<b>279,939,416</b>	<b>7,261,107,428</b>	<b>1,875,801,862</b>	<b>483,794,934</b>	<b>(382,460,984)</b>	<b>104,577,904</b>	<b>2,081,713,717</b>	<b>5,179,393,769</b>	<b>4,564,540,990</b>
<b>INTANGIBLE ASSETS</b>												
(Other than internally generated)												
Goodwill	6,000,000	-	-	-	6,000,000	-	-	-	-	-	6,000,000	6,000,000
Brands/ trademarks	818,387,722	5,463,733	(204,339,320)	85,926,708	705,438,844	-	-	-	-	-	705,438,844	818,387,722
Computer Software	35,718,034	-	-	73,580	35,791,613	35,186,541	245,865	-	30,040	35,462,447	32,91,67	531,492
Copyrights, Patents, IPR	462,702,403	-	-	48,072,379	510,774,782	233,156,369	36,078,459	-	26,279,787	295,514,615	215,260,167	229,546,034
Recipes, formulae, models, designs and prototypes	2,548,242,098	-	(3,278,651)	351,227,660	2,896,191,107	1,629,162,465	215,407,336	-	258,079,755	2,102,649,556	793,541,551	919,079,633
Licenses and franchise	-	-	-	-	-	-	-	-	-	-	-	-
Customer Relationship	1,086,696,216	-	-	114,097,788	1,200,794,004	1,054,577,647	337,80,094	-	112,410,420	1,200,768,161	25,843	32,118,569
<b>Total</b>	<b>4,957,746,473</b>	<b>5,463,733</b>	<b>(207,617,971)</b>	<b>599,398,115</b>	<b>5,354,990,350</b>	<b>2,952,083,023</b>	<b>285,511,754</b>	<b>-</b>	<b>396,800,023</b>	<b>3,634,394,800</b>	<b>1,720,595,550</b>	<b>2,005,663,450</b>
<b>Previous year</b>	<b>5,036,552,070</b>	<b>11,893,184</b>	<b>(361,170,768)</b>	<b>270,471,988</b>	<b>4,957,746,474</b>	<b>2,490,579,877</b>	<b>475,719,028</b>	<b>(141,119,331)</b>	<b>126,729,527</b>	<b>2,952,083,024</b>	<b>2,005,663,450</b>	<b>2,545,972,184</b>
<b>Capital WIP</b>	<b>444,562,621</b>	<b>21,759,485</b>	<b>-</b>	<b>(750,000)</b>	<b>465,572,106</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>465,572,106</b>	<b>444,562,621</b>

**NOTE 11 - NON CURRENT INVESTMENTS**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Non CURRENT INVESTMENTS</b>		
(Trade/Non-trade)		
Investments in Equity Shares	-	-
Centum Electronics Ltd (Quoted) 233 Shares	7,000	7,000
Microland Ltd (Unquoted) 10 Shares	102,000	102,000
<b>Total</b>	<b>109,000</b>	<b>109,000</b>

Aggregate cost of Quoted Investments ₹ 7000 Market value ₹ 12,000 (P.Y. 22,205) as on 31st March 2014 or as on last Quoted date. Unquoted Investment ₹ 1,02,000 market value as certified by the directors.

**NOTE 12 - LONG TERM LOANS AND ADVANCES**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Taxes paid in advance less provisions	834,480	834,480
<b>Total</b>	<b>834,480</b>	<b>834,480</b>

**NOTE 13 - OTHER NON CURRENT ASSETS**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
a) Deposits with more than 12 months maturity	73,754,746	53,334,117
b) Miscellaneous Expenses* (to the extent not written-off/adjusted)	10,907,573	12,303,302
c) Other Loans and Advances	43,678,905	-
d) Advance towards Capial Goods	566,967,894	482,547,493
e) Taxes paid in advance less provisions	19,249,401	20,275,653
<b>Total</b>	<b>714,558,519</b>	<b>568,460,564</b>

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

**NOTE 14 - INVENTORIES**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
(At lower of cost and net realisable value)		
Raw materials	6,367,527,236	5,873,342,030
Work - in - Progress	1,192,162,304	1,232,730,526
Finished Goods	265,586,988	280,336,449
Stores and spares	-	5,255
Others (specify nature)	66,051,876	56,634,628
<b>Total</b>	<b>7,891,328,404</b>	<b>7,443,048,888</b>

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**NOTE 15 - TRADE RECEIVABLES**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
(Unsecured, considered good unless otherwise stated)		
1) Debts due for a period exceeding six months		
Considered Good	7,059,156,426	2,233,708,188
Considered Doubtful	-	33,725,050
	<b>7,059,156,426</b>	<b>2,267,433,238</b>
2) Other Debts:		
Considered Good	10,212,548,018	13,627,251,742
Considered Doubtful	-	-
	<b>10,212,548,018</b>	<b>13,627,251,742</b>
Less: Provision for Doubtful Debts	662,552	662,552
<b>Total</b>	<b>17,271,041,891</b>	<b>15,894,022,428</b>

**NOTE 16 - CASH AND CASH EQUIVALENTS**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Balances with banks in -		
Margin Money	20,148,278	16,076,360
Earmarked balances	5,657,100	9,300,553
Current Accounts	173,637,103	405,769,904
	<b>199,442,481</b>	<b>431,146,817</b>
Cash on hand	2,043,179	543,138
<b>Total</b>	<b>201,485,661</b>	<b>431,689,955</b>

Cardiac Science corporation, which is the stepdown subsidiary of Opto Circuits India Ltd has other commitments including restricted cash deposits ₹ 126.31 Lacs (\$210,174) which is held for an irrevocable standby letter of credit for computer leasing program, CD for credit card purchase program, security deposit, Security coverage for one month's interest against the bank credit limit and deposit into the general account. All these are treated as Cash and Cash Equivalents

**NOTE 17 - SHORT TERM LOANS AND ADVANCES**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
(Unsecured, considered good unless otherwise stated)		
Staff advance	2,542,351	3,764,763
Others Advances	111,207,725	59,464,375
Advances to suppliers & services	4,448,327,855	5,696,671,121
Advances to Capital Goods	13,995,110	14,297,806
	<b>4,576,073,041</b>	<b>5,774,198,065</b>
Less: Provision for Doubtful Advances and Loans	-	-
	<b>4,576,073,041</b>	<b>5,774,198,065</b>
Taxes paid in advance less provisions (current tax)	509,229,653	231,057,432
Tax paid in advance less provision (fringe benefit tax)	-	224,559
Balances with Central Excise, Customs, Port trust, etc.	3,425,476	3,436,615
<b>Total</b>	<b>5,088,728,170</b>	<b>6,008,916,670</b>

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

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

**NOTE 18 - OTHER CURRENT ASSETS**

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Deposits (3 months to 12 months maturity)	3,129,108	8,958,704
Prepaid Expenses	206,131,707	213,378,345
<b>Total</b>	<b>209,260,815</b>	<b>222,337,049</b>

**NOTE 19 - REVENUE FROM OPERATIONS**

Amount in ₹

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Revenue from		
Products	13,635,414,316	23,152,905,216
Services	439,797,255	823,193,020
Other operating revenues	4,867,318	17,449,236
<b>Total</b>	<b>14,080,078,890</b>	<b>23,993,547,473</b>

**NOTE 20 - OTHER INCOME**

Amount in ₹

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Interest income received from Bank	4,754,053	8,401,894
Dividend income	74,638	-
Net gain on sale of assets	87,960,542	68,468
Net gain on foreign currency transaction and translation	476,131,295	6,758,188
Sundry provisions and credit balances no longer required	192,894	732,227
Other non-operating income*	64,065,860	57,131,206
<b>Total</b>	<b>633,179,282</b>	<b>73,091,982</b>

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

**NOTE 21 - COST OF MATERIALS CONSUMED**

Amount in ₹

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Opening stock	5,873,342,029	3,817,980,496
Add: Purchases	7,341,136,073	13,808,525,646
Less: Closing stock	6,367,527,236	5,873,342,030
<b>Cost of material consumed*</b>	<b>6,846,950,867</b>	<b>11,753,164,112</b>

\*Excludes Manufacturing expenses.

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

Amount in ₹

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
<b>Inventories at the end of the year:</b>		
Finished goods	265,586,988	280,336,449
Work-in-progress	1,192,162,304	1,232,730,526
Stock-in-trade	-	-
	<b>1,457,749,293</b>	<b>1,513,066,975</b>
<b>Inventories at the beginning of the year:</b>		
Finished goods	280,336,449	341,613,034
Work-in-progress	1,232,730,528	869,956,763
Stock-in-trade	-	-
	<b>1,513,066,977</b>	<b>1,327,569,797</b>
<b>Net (increase) / decrease</b>	<b>55,317,685</b>	<b>(185,497,178)</b>

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**NOTE 23 - EMPLOYEE BENEFIT EXPENSE**

Amount in ₹

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Salaries and wages	1,308,745,801	1,837,586,978
Contribution to provident and other funds	67,629,615	43,618,999
Staff welfare expenses	209,461,192	115,728,271
<b>Total</b>	<b>1,585,836,608</b>	<b>1,996,934,248</b>

**NOTE 24 - FINANCE COSTS**

Amount in ₹

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Interest expense	1,227,644,400	902,506,669
Other borrowing costs	81,316,667	72,937,603
Bank Charges	62,458,120	116,903,430
Net gain/(loss) on foreign currency transactions & translation	-	6,848
<b>Total</b>	<b>1,371,419,187</b>	<b>1,092,354,551</b>

**NOTE 25 - OTHER EXPENSE**

Amount in ₹

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
<b>MANUFACTURING AND OPERATING COST</b>		
Consumption of stores and spare parts	7,143,570	10,169,683
Customs Duty & Supervision Charges	852,394	1,640,429
Freight, Handling, Octroi and Others	59,003,585	41,946,670
Insurance	62,025,884	59,426,463
Labour Charges & Job Work	483,947,089	690,428,386
Power & Fuel	20,144,138	13,046,050
Production Supplies	15,328,797	7,269,716
R&D,Product Development Expenses	416,895,345	981,046,614
Repairs & Maintenance - Building	18,282,650	9,688,988
Repairs & Maintenance - Electricals & Others	42,896,750	49,276,652
Repairs & Maintenance - Plant & Machinery	5,890,682	5,421,996
Service Charges	3,931,146	12,023,029
Spares - materials	3,753,887	11,211,814
Tooling Charges	5,612,290	4,520,503
Warranty Purchases	-	230,150
<b>Total A</b>	<b>1,145,708,207</b>	<b>1,897,347,142</b>
<b>ADMINISTRATIVE EXPENSES</b>		
Audit Fee	24,158,016	18,870,644
Advertisement & Trade Shows	62,417,313	147,517,230
Bad Debts	64,760,816	81,075,720
Commission	299,840,523	539,464,352
Discount	18,266,666	10,006,608
Directors Remuneration	24,602,448	26,287,546
Donation	1,881,669	3,480,504
Electricity & Water Charges	32,170,007	51,284,304
General Expenses	47,010,879	20,405,434

**NOTE 25 – OTHER EXPENSE (CONTD.)**

Amount in ₹

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Membership, Books & Periodicals	12,872,744	15,894,888
Miscellaneous expenses	20,672,428	21,893,760
Net loss on sale of assets	244,099	5,646,306
Office Maintenance	25,698,768	18,398,429
Outside Labour	82,317,719	110,567,668
Postage, Telephone & Fax Charges	60,405,188	91,290,176
Printing & Stationery	11,665,945	18,175,084
Prior period items	43,593,545	9,546,960
Professional Consultancy Charges	323,312,262	507,549,597
Quality Certification, Patent & FDA Expenses	10,975,541	5,070,090
Rates & Taxes	101,296,455	126,218,548
Rent	170,321,514	177,888,280
Travelling & Conveyance	180,380,136	337,960,352
<b>Total B</b>	<b>1,618,864,681</b>	<b>2,344,492,481</b>
<b>SELLING EXPENSES:</b>		
Business Promotion Expenses	116,424,684	129,063,362
Clearing Charges	7,656,583	8,799,135
Freight & Handling Charges	51,565,274	89,186,215
Packing Materials	13,225,260	10,521,166
Transportation	15,700	1,032,844
<b>Total C</b>	<b>188,887,501</b>	<b>238,602,722</b>
<b>Total (A+B+C)</b>	<b>2,953,460,389</b>	<b>4,480,442,345</b>

**25A - PRIOR PERIOD EXPENSE CONSIST OF FOLLOWING ITEMS**

Amount in ₹

Particulars	2014	2013
Professional Expense	9,394,446	365,800
Building Maintenance	-	5,311
Non Moving Stock Written-off	32,881,224	-
Interest	958,476	8,909,217
Freight expense	-	266,632
Tax provision	359,399	-
<b>Total</b>	<b>43,593,545</b>	<b>9,546,960</b>

OPTO CIRCUITS (INDIA) LIMITED

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

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Audit fee	23,606,444	10,469,980
Tax Audit fees	370,900	7,469,980
Taxation matters	113,256	449,440
Other services	67,416	444,718
Out of pocket expenses reimbursed	-	36,526
<b>Total</b>	<b>24,158,016</b>	<b>18,870,644</b>

**NOTE 26 - PROVISION FOR TAX**

Amount in ₹

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Current Tax	224,188,064	47,807,860
Deferred Tax	(4,444,940)	(16,589,187)
<b>Total</b>	<b>219,743,124</b>	<b>31,218,674</b>

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

**NOTE 27 - EARNINGS PER SHARE**

Amount in ₹

Particulars	For the year ended 31.03.2014	For the year ended 31.03.2013
Net Profit after tax	909,723,169	3,798,147,048
Basic and Weighted average number of Equity Shares outstanding during the period	242,319,407	242,319,407
Nominal Value of Equity Shares	10	10
<b>Basic Earnings per Equity Share</b>	<b>3.75</b>	<b>15.67</b>

**NOTE 28 - RETIREMENT BENEFITS TO EMPLOYEES**

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

Overseas subsidiaries provide for retirement benefits under respective laws and regulations. In OCCL group, 401(k) Plan includes provision for an employee deferral of up to 50%

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



## NOTE 29 - CONVERSION RATES USED FOR FOREIGN FINANCIALS ON 31ST MARCH 2014 ARE AS FOLLOWS

Particulars	Opening rate (₹)	Average Rate (₹)	Closing Rate (₹)
USD	54.38	57.24	60.10
Euro	69.54	76.06	82.58
MYR	17.56	17.95	18.35
SGD	43.75	45.74	47.73

## NOTE 30A - CONTINGENT LIABILITY

Amount in ₹

Particulars	As at 31.03.2014	As at 31.03.2013
Income Tax matters - The income tax department has raised a demand for tax for the AY 2004-05 for which the department has filed a case before Income Tax Appellate Tribunal. Pending disposal of this, the company has not provided liability for income Tax.	1,416,000	1,416,000
<b>GUARANTEES</b>		
Corporate Guarantee is extended to State Bank of India and State Bank of Travancore for the credit facility availed by Advanced Micronic Devices Limited	170,400,000	170,400,000
Corporate Guarantee is extended to Indusind Bank for the credit facility availed by Opto Cardiac Care Limited	875,000,000	500,000,000
Corporate Guarantee is extended to Indusind Bank for credit facility availed by Eurocor GmbH (subsidiary of Opto Eurocor Health Care Limited,	600,998,000	556,350,400
Corporate Guarantee is extended to DBS bank and HDFC bank for credit facility availed by Cardiac Science Corporation (Subsidiary of Opto Cardiac Care Limited)	3,305,489,000	2,991,411,500
Corporate Guarantee has been given to Standard Chartered Bank and CIMB on behalf of Eurocor Asia Sdn Bhd	1,338,269,840	1,221,369,128
Corporate Guarantee is extended to DBS bank for credit facility availed by Cardiac Science corporation (subsidiary of Opto Cardiac Care Limited )	1,802,994,000	1,631,679,000
Bank Guarantees issued on behalf of the Company by Banks	12,500,000	12,500,000

## NOTE 30 B

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

Amount in ₹

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

The company has paid a sum of ₹ 51 crores for the assessment year 2012-13 under protest. If the judgment is not favorable then the contingent liability for the assessment year 2013-14 would be ₹ 57 crores

In respect to payment of Dividend distribution Tax the company had obtained a stay from the High Court of Karnataka. This stay was vacated and the company filed a Writ Appeal No. 4271/2013 with the Divisional Bench of the Hon'ble High Court of

**OPTO CIRCUITS (INDIA) LIMITED**

Karnataka which has been admitted on 7th March 2014, adjourned sine die and referred to a larger bench of the Hon'ble Apex Court. If the outcome of this appeal is not favorable, there is a contingent Liability to the extent of Rs. 49 crores as outlined below:

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

Amount in ₹

**NOTE 31 - RESEARCH AND DEVELOPMENT**

Research and development costs are expensed as and when incurred except for certain items which are capitalized and amortized based on estimated life. During the year ₹ 4168.95 Lacs has been spent.

**NOTE 32 - DISCONTINUED OPERATIONS**

Cardiac Science Corporation, a subsidiary of Opt Cardiac Care Ltd. sold the Cardiac Diagnostic monitor division in FY 2012-13. Financial statement 2012-13 included Gross assets relating to the DCAR line of products worth \$13.79 mn usd and Gross liabilities relating to the DCAR line of products worth \$ 9.84 mn usd. The same was sold for a determinate base consideration of \$ 12 mn usd. Since the agreement was in the final stage of completion as at the end of FY 2012-13, Cardiac Science Corporation's IGAAP financials had not recognized this transaction as a sale in FY 2012-13. Since the agreement has been fully executed now, it has now accounted the sale in the FY 2013-14. The terms of the agreement include a base payment of \$12.0 million and two contingent payments based on future sales, a "backlog contingent payment" and a "top customer's contingent payment." The backlog contingent payment is calculated as 27.5% of net sales invoiced by the buyer through September 30, 2013. The top customer contingent payment is calculated as 15% of net sales invoiced by the buyer to five "top customers" named in the asset purchase agreement through March 29, 2013. The contingent payments due to Cardiac Science under the agreement were offset by liabilities that the Cardiac Science was required to pay to Diagnostic Cardiology suppliers and distributors under the terms of the agreement. The net impact of contingent receivables and liabilities attributed to the Diagnostic Cardiology division were recorded in discontinued operations for the year ended March 31, 2014. Cardiac Science does not expect to receive any additional payments attributed to the sale of the Cardiac Diagnostic division in future periods.

**NOTE 33 - EXTRA ORDINARY ITEMS**

Financials statement contains extra ordinary items which include ₹ 4,840.97 Lacs relating to discontinued operational loss in the Cardiac Science Corporation which has written off old receivable related to customer of various subsidiaries and advances as it is deemed the prospects of recovery was remote and weak and ₹ 4,608.98 Lacs relating to profit on sale of Cardiac Monitoring Division. As a result, there is a net loss of ₹ 231.98 Lacs

**NOTE 34 - FIXED ASSETS TRANSFER**

Cardiac Science Corporation had written off fixed assets worth ₹ 6,413.79 Lacs (\$ 10.67 million) in its Audited Financial statement for the year ended March 2013, as it had been impaired. However, in the consolidated financial statements, the management has withdrawn the write off done by Cardiac Science Corporation and it has been determined that these fixed assets are usable in Opto Circuits Malaysia Sdn Bhd and the same has been transferred at cost from Cardiac Science Corporation to Opto Malaysia Sdn Bhd.

**NOTE 35 - OTHER COMMITMENTS**

a) The company has purchase obligation of ₹ 2,333,037,575 (\$ 38,819,390) consisting of outstanding purchase orders issued in normal course of business.

**NOTE 36 - SEGMENT REVENUE**

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

₹ in Lacs

Particulars	International 31.03.2014	Domestic 31.03.2014	Total 31.03.2014
<b>1. SEGMENT REVENUE</b>			
a. Health Care	138,352.09	1,746.66	140,098.75
b. Information Technology	-	653.36	653.36
c. Others	48.67	6,742.49	6,791.16
<b>Total</b>	<b>138,400.76</b>	<b>9,142.51</b>	<b>147,543.27</b>
Less: Inter Segment Revenue	(7.50)	(403.19)	(410.69)
<b>Net Sales/Income From Operations</b>	<b>138,393.26</b>	<b>8,739.32</b>	<b>147,132.58</b>
<b>2. SEGMENT RESULTS (PROFIT BEFORE INTEREST &amp; TAX)</b>			
a. Health Care	25,185.64	468.85	25,654.49
b. Information Technology	-	(653.36)	(653.36)
c. Others	-	-	-
<b>Total</b>	<b>25,185.64</b>	<b>(184.50)</b>	<b>25,001.13</b>
Less: Interest	13,511.87	287.82	13,799.69
<b>Total Profit Before Tax</b>	<b>11,673.77</b>	<b>(472.32)</b>	<b>11,201.43</b>

**NOTE 37- RELATED PARTY DISCLOSURES:**

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

## KEY MANAGEMENT PERSONNEL

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

**NOTE 37**

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

**For and on behalf of the Board of Directors**

VINOD RAMNANI  
Chairman & Managing Director

JAYESH PATEL  
Director

Place: Bengaluru  
Date: 30th May 2014

**As per our report of even date**

FOR ANAND AMARNATH & ASSOCIATES  
Chartered Accountants

B K AMARNATH  
Partner

Membership Number: 26536  
Firm Registration Number: 000121S

## SUMMARISED STATEMENT OF FINANCIALS OF SUBSIDIARY COMPANIES PURSUANT TO GENERAL CIRCULAR NUMBER 2/2011 ISSUED BY MINISTRY OF CORPORATE AFFAIRS, GOVERNMENT OF INDIA

₹ in Lacs

Sl No.	Name of the Subsidiary	Reporting Currency	Capital	Securities Premium Account	Reserves	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit before Taxation after Prior Period Adjustments	Provision for Taxation	Profit After Taxation	Proposed Dividend & Dividend Tax	Country
1	Advanced Micronic Devices Limited	INR Lacs	528.11	-	132.18	5,798.62	5,139.43	1.09	2,146.99	(676.55)	177.90	(854.45)	-	India
2	Mediaid Inc.,	INR Lacs	4,455.49	-	18,759.78	27,277.14	4,061.86	-	13,608.31	3,457.24	(2.24)	3,459.49	-	USA
3	Opto Euorcor Healthcare Limited	INR Lacs	6,608.24	-	42,329.98	100,956.86	52,018.64	-	22,988.06	8,809.43	843.34	7,966.10	-	India
4	Devon Innovations Private Limited	INR Lacs	10.00	-	704.42	1,925.82	1,211.40	-	784.17	193.76	39.46	154.29	-	India
5	Ormed Medical Technology Limited	INR Lacs	25.00	-	332.38	461.04	103.66	-	448.09	4719	14.58	32.61	-	India
6	Opto Infrastructure Limited	INR Lacs	2,067.45	-	2,186.89	11,495.40	7,241.06	-	-	-	-	-	-	India
7	Opto Circuits (Malaysia) Sdn Bhd	INR Lacs	4,463.00	-	4,026.66	14,981.80	6,492.14	-	1,094.93	382.34	-	382.34	-	Malaysia
8	Opto Cardiac Care Limited	INR Lacs	5,005.50	15,000.00	23,581.34	163,004.03	119,417.19	-	80,194.25	(6,177.51)	167.16	(6,344.67)	-	India

**NOTE :**

The above information has been drawn to correlate with the consolidated financial statements.

## SAFE HARBOUR

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

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

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## NOTES





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

# AGM NOTICE

## OPTO CIRCUITS (INDIA) LIMITED

CINL85110KA1992PLC013223

Registered Office: Plot No.83, Electronics City, Bengaluru – 560 100

Website: www.optoindia.com Email id: oci@optoindia.com, Email: investor's relations id- investorservices@optoindia.com

Tel: 080-28521040-41-42 Fax: 080-28521094

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of OPTO CIRCUITS (INDIA) LIMITED will be held on Tuesday, the 30th September, 2014 at 12.00 Noon. at Manipal County, No.65, Singasandra, Off Hosur Road, Bengaluru 560 068 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss for the year ended and the Report of the Directors' and the Auditors thereon.
2. To appoint a Director in place of Mr. Jayesh Chandrakant Patel (DIN: 01338843), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 at this AGM and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Thomas Dietiker (DIN: 01424625), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 at this AGM and being eligible, offers himself for re-appointment.
4. To appoint Auditors of the Company:  
"RESOLVED THAT pursuant to the provisions of Section 139,142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s Anand Amarnath and Associates, Chartered Accountants (Firm Registration No. 000121S), be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting (AGM) until the conclusion of the Twenty Fifth Annual General Meeting of the Company to be held in the year 2017 (subject to ratification of re-appointment by the members at every AGM held after this AGM) at such remuneration as may be determined by the Board of Directors of the Company."

### SPECIAL BUSINESS

5. Appointment of Mr. Rajkumar Tulsidas Raisinghani as an Independent Director of the Company:

To consider and, if thought fit, to pass with or without modification(s) the following as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149,150,152,160 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications or re-enactment thereof and any Rules made there under, for the time being in force) and Clause 49 of the Listing Agreement, Mr.Rajkumar Tulsidas Raisinghani (DIN: 01411084), Director of the Company, whose office is liable to retirement by rotation as per the Companies Act 1956 and who has submitted a declaration that he meets criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the Office of Director, be and is hereby appointed as an Independent Director of the company whose term shall not be subject to retirement by rotation, to hold office for the term up to 30th September 2017."

6. Appointment of Dr.Anvay Vinayak Mulay as an Independent Director of the Company:

To consider and, if thought fit, to pass with or without modification(s) the following as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149,150,152,160 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications or re-enactment thereof and any Rules made there under, for the time being in force) and Clause 49 of the Listing Agreement, Dr.Anvay Vinayak Mulay (DIN: 01479415), Director of the Company, whose office is liable to retirement by rotation as per the Companies Act 1956 and who has submitted a declaration that he meets criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the Office of Director, be and is hereby appointed as an Independent Director of the company whose term shall not be subject to retirement by rotation, to hold office for the term up to 30th September 2017."

7. To approve Borrowing Powers of the Company.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:-

"RESOLVED THAT in supersession of the Resolution passed by the Members of the Company at the 17th Annual General Meeting of the Company held on September 29, 2009 and Pursuant to Section 180(1)(c) and other applicable provisions, if any of the Companies Act, 2013 (corresponding to Section 293(1)(d) of the Companies Act 1956) and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof) to borrow any sum or sums of money from time to time, for the purpose of the Company on such terms and conditions and with or without security as the Board of Directors may in its discretion think fit, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of Business) may exceed the aggregate paid up share capital of the Company and its free reserves, provided however that the total borrowings outstanding at any one time including the monies already borrowed shall not exceed a sum of Rs.1500 Crores (Rupees One thousand Five Hundred Crores only)."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to finalise, settle and execute such documents/deeds/writings/papers/agreements as maybe required and do all such acts, deeds, matters and things, as it may, in its absolute discretion deem fit, necessary or proper."

8. To approve creation of security by way of mortgage, charge etc.

To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution:-

“RESOLVED THAT in supersession of the Resolution passed by the Members of the Company at the 17th Annual General Meeting of the Company held on September 29,2009 and Pursuant to Section 180(1)(a) and other applicable provisions, if any of the Companies Act, 2013(corresponding to Section 293(1)(a) of the Companies Act 1956) and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Shareholders be and is hereby accorded to the Board of Directors of the company (hereinafter referred to as “the Board”, which term shall include its committees constituted for the purpose) to create mortgages/charges on all or any of the movable and or immovable properties and assets , both present and future or on the whole or substantially the whole of the undertaking or undertakings of the Company, exclusively or ranking *pari-passu* with or second or subservient or subordinate to the mortgages /charges, if any, already created or to be created in future by the Company, for securing any loans and/or advances and /or issue of debentures /bonds and /or guarantees and /or any financial assistance or obligations obtained /undertaken /made or that may be obtained/undertaken/made by the Company and / or any one or more of its subsidiary/group company both present and that which may be established or acquired by the Company in future, in India or abroad, with power to take over the management, business and undertaking of the Company in certain events of defaults, on such terms and conditions and at such times and in such form and manner as the Board may deem fit, so that the total outstanding amount at any time so secured together with interest thereon, and further interest, costs, expenses remuneration and other monies payable in connection therewith shall not exceed Rs.1,500/- Crores (Rupees One Thousand Five Hundred Crores only) over and above the paid up capital and free reserves and

RESOLVED FURTHER THAT the mortgages/charges created by the Company so far be and are hereby approved, confirmed and ratified.

RESOLVED FURTHER THAT the Board be and is hereby authorized to and cause to prepare, finalize, approve and execute on behalf of the Company all documents, deeds, agreements, declarations, undertakings and writings as may be necessary and /or expedient for giving effect to the foregoing resolution and to vary and /or alter the terms and conditions of the security created/ to be created as aforesaid as it may deem fit.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the above powers to a Committee of Directors or any one of the Executives or any Principal Officer of the Company and generally to do all acts, deeds, matters and things as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.”

By order of the Board

**For OPTO CIRCUITS (INDIA) LIMITED,**

**Vinod Ramnani**

Chairman & Managing Director

**Place:** Bengaluru

**Date:** August 12, 2014

Registered Office: Plot No.83, Electronic City, Bengaluru – 560 100

CIN L85110KA1992PLCO13223

Website: www.optoindia.com Email id: oci@optoindia.com

Email: investor's relations id- investorservices@optoindia.com

## NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY IN ORDER TO BE VALID, SHOULD BE DULY COMPLETED AND STAMPED AND DEPOSITED WITH THE COMPANY AT THE REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**A blank proxy form and attendance slip are enclosed with this notice.  
Pursuant to the provisions of Section 105 of the Companies Act, 2013 read with applicable Rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10 percent of the total share capital of the company carrying voting right, may appoint a single person as a proxy, who shall not act as a proxy for any other member.
2. Members/Proxies are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
3. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
4. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 with respect of business under Item Nos. 5 to 8 as set out in the Notice is annexed hereto.
5. Pursuant to the provisions of Section 91, the Companies Act, 2013 The Register of Members and the Share Transfer Books will remain closed from 26th September 2014 to 30th September 2014 (both days inclusive).
6. Members desiring information as regard to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
7. Members whose shareholding is in the electronic mode are requested to inform the change of address and update the Bank account details to their respective Depository Participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends in future.
8. Members are requested to address all correspondence to the Registrar and Share Transfer Agent of the Company, M/s. Karvy Computershare Private Limited, Plot No.17 to 24, Near Image Hospital, Vittal Rao Nagar, Madhapur, Hyderabad – 500 081. E-mail: mailmanager@karvy.com
9. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company or the Registrar and Share transfer Agents of the Company, M/s.Karvy Computershare Private Limited, Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be, as per Section 205A(5) and 205(C ) of the Companies Act, 1956, transferred to the Investor Education and Protection Fund.
10. In respect of Shares held by companies, trusts, societies, etc., the authorized representatives are requested to bring a duly certified copy of the Board Resolution / Appropriate authorization with their specimen signature(s) duly attested for attending the meeting.

11. Pursuant to SEBI notification No.MED/DOP/Circulars/05/2009 dated 20th May 2009, it has become mandatory for transferee(s) to furnish copy of PAN Card to the Company / RTA to enable / affect transfer of shares in physical form
12. Members are requested to note that, entry to the meeting hall/premises is strictly restricted to the members/beneficial owners holding duly filled in attendance slip and proxies holding valid proxy forms.
13. Please register your e-mail id with your Depository Participants for receiving all communications from the Company including Notice of the Annual General Meeting and Annual Reports through electronic mode.
14. Only bona fide members of the company whose names appear in the Register of Members/ Proxy Holders in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non members from attending the meeting.
15. Pursuant to General Circular No.20/2014 dated June 17, 2014 issued by the Ministry of Corporate Affairs, Government of India, the e-voting process has not been considered as mandatory till December 31, 2014. Pursuant to Clause 35 B of the listing agreement, we are providing facility of e-voting to all members as per the applicable Regulations relating to e-voting. A separate e-voting instructions slip has been sent explaining the process of e-voting with necessary user id and password along with procedure for such e-voting. Such e-voting facility is in addition to voting that may take place at the meeting venue on September 30, 2014.
16. Information pursuant to Clause 49 IV (G) of the Listing Agreements about the Directors to be re-appointed is as follows:

Name of the Director	Mr.Jayesh Chandrakant Patel	Mr.Thomas Dietiker
Date of Birth	11.12.1961	13.06.1959
Date of Appointment	03.04.2000	03.04.2000
Relationship with other Director	Nil	Nil
Expertise in Specific Functional area	Mr. Jayesh C Patel brings with him more than two decades of engineering and R&D expertise to the Company's product line. He has been instrumental in the product design and conception of a multitude of Opto Electronic Products.	The Swiss born Thomas Dietiker, who is an American Citizen, is a co-promoter of Opto Circuits (India) Limited established in 1992. Mr. Thomas Dietiker worked with United Detectors Technology, USA as Vice president-Engineering in the year 1990. He co-founded Elekon Industries Pte Ltd at Singapore. His expertise includes implementation of new engineering designs and product marketing plans for the wide range of Opto Electronic Products. He has extensive experience in business development, product marketing, and engineering of Opto Electronic Products and a wide range of related assemblies. Mr. Thomas Dietiker holds a Bachelor of Science Degree in Electronics Engineering from the Technical Institute of Wintherthur, Switzerland. Mr. Thomas Dietiker brings to Opto Circuits extensive experience in business development and a razor sharp sense of M&A. At Opto Circuits (India) Ltd he has been responsible for successful execution of business strategy of targeted marketing and sole source product development. He leads teams across the Group to forge, maintain and renew important OEM relationships.
Qualification	BS in Electronic Engineering	Electronic Engineer
Directorship in other Companies	Opto Eurocor Healthcare Limited	Nil
Member of the committee of the Board Committees in all Companies	Nil	Nil
Shareholding in the Company*	11815983	13076150

\*- As on 31st March 2014

Considering the working knowledge, qualifications and experience of Mr.Jayesh Chandrakant Patel and Mr. Thomas Dietiker it would be in the interest of the Company to re-appoint them as Directors of the Company.

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

**Vinod Ramnani**  
Chairman & Managing Director

**Place:** Bengaluru  
**Date:** August 12, 2014  
Registered Office: Plot No.83, Electronic City, Bengaluru – 560 100  
CIN L85110KA1992PLC013223  
Website: www.optoindia.com Email id: oci@optoindia.com  
Email: investor's relations id- investorservices@optoindia.com

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

Item No. 5 to 6

The Company had appointed Mr. Rajkumar Tulsidas Raisinghani and Dr.Anvay Vinayak Mulay, as Non-Executive Directors, liable to retire by rotation under the Companies Act, 1956. These Directors are also Independent Directors pursuant to Clause 49 of the Listing Agreement with Stock Exchanges.

Mr. Rajkumar Tulsidas Raisinghani and Dr.Anvay Vinayak Mulay are liable to retire by rotation at the ensuing AGM.

In accordance with the provisions of Section 149 of the Companies Act, 2013 which came into effect from April 1, 2014, every Listed Public Company is required to have at least one-third of the total number of directors as Independent Directors who are not liable to retire by rotation.

The Nomination and Remuneration Committee has recommended the appointment of these directors as Independent Directors for a term of consecutive three years with effect from the date of Annual General Meeting i.e. September 30, 2014. The Company has received consent from these Independent Directors and also declaration confirming that they are not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement with the Stock Exchanges.

Notices have been received from Members proposing their candidature for the office of Directors of the Company.

In the opinion of the Board, Mr. Rajkumar Tulsidas Raisinghani and Dr.Anvay Vinayak Mulay, fulfill the conditions specified in the Companies Act,2013 and Rules made there under, for their appointment as Independent Directors of the Company and are independent of the management. A copy of the draft letter for appointment as an Independent Director setting out the terms and conditions would be available for inspection without any fee to the members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that their continued association would be of immense benefits to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, the Board recommends the resolution for appointment of Mr. Rajkumar Tulsidas Raisinghani and Dr.Anvay Vinayak Mulay as Independent Directors. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchanges.

Except Mr.Rajkumar Raisinghani and Dr.Anvay Mulay, and their relatives, none of the Directors, key managerial personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the proposed Resolutions as set out in item numbers 5 to 6 of this Notice.

The Board recommends the Ordinary Resolutions as set out at item numbers 5 to 6 of the Notice for approval by the shareholders.

Brief profile along with other details of the Independent Directors are provided herewith:

Name of the Director	Mr. Rajkumar Tulsidas Raisinghani	Dr.Anvay Vinayak Mulay
Date of Birth	10.06.1952	03.05.1961
Date of Appointment	31.12.2005	31.12.2005
Relationship with other Director	Nil	Nil
Expertise in Specific Functional area	Mr. Rajkumar Raisinghani owns an Electrical Goods manufacturing unit. He has over 25 years of work experience. He was working in a large manufacturing unit in Mumbai, prior to venturing out on his own.	A renowned cardio-thoracic and vascular surgeon. He has been contributing to this specialized field for more than two decades. Currently, he is Senior Consultant Cardiac Surgeon at Fortis Hospitals Ltd, Mulund, Mumbai. He has headed the Department of Audit Cardiac Surgery at the Kokila Ben Hospital, Mumbai and the Department of Cardiac Surgery at the Caribbean Heart Care Hospital in Trinidad and Tobago for three years. He has also been Director of Cardiac Surgery at Mahavir Heart Hospital, Surat and National Heart Institute in Pune. Dr. Anvay Mulay completed his MBBS and Master of Science (General Surgery) from Mumbai University and Master of Chirurgy (MCh)-Cardiovascular and Thoracic Surgery from Mumbai University. He received a fellowship in Cardiac Surgery at St Vincen't in Portland Oregon, USA. He worked as a Consultant Cardiac Surgeon in Leeds General Infirmary, Leeds UK.
Qualification	Diploma in Electrical Engineering	MBBS,MS(General Surgery).
Directorship in other Companies	1. Advanced Micronic Devices Ltd 2. Opto Infrastructure Ltd 3. Opto Eurocor Healthcare Ltd	1. Advanced Micronic Devices Ltd 2. Opto Eurocor Healthcare Ltd 3. Opto Cardiac Care Ltd
Member of the committee of the Board Committees in all Companies	Membership: 7 (Seven) Audit Committee: 3 (Three) Opto Circuits (India) Ltd Advanced Micronic Devices Ltd Opto Eurocor Healthcare Ltd Stakeholders Relationship Committee: Membership: 2 (Two) Opto Circuits (India) Ltd Advanced Micronic Devices Ltd Chairmanship: 1 (One) Opto Eurocor Healthcare Ltd Nomination & Remuneration Committee: Membership: 2 (Two) Opto Circuits (India) Ltd Advanced Micronic Devices Ltd	Membership: 1 (one) Stakeholders Relationship Committee: Opto Eurocor Healthcare Ltd
Shareholding in the Company*	24700	4325

\*As on 31st March 2014

Item No.7 & 8

The Members of the Company at their 17th Annual General Meeting held on September 29, 2009 approved the Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 authorizing the Board of Directors of the Company to borrow up to Rs 1000 Crores (Rupees One Thousand Crores only) and also approved creation of security for such borrowings under section 293 (1) (a) of the Companies Act,1956.

The corresponding provisions i.e. Section 180(1)(c) and Section 180(1)(a) of the Companies Act, 2013 are effective from September 12, 2013 which require approval of the Shareholders by way of Special Resolutions.

According to the Ministry of Corporate Affairs' General circular No 04/2014 dated: - March 25, 2014, the aforementioned Resolutions passed under the Companies Act, 1956 is valid up to one year from the commencement of new provisions.

Hence it is proposed to seek fresh approval from the Shareholders by way of Special Resolutions in terms of provisions of the Section 180(1)(c) and 180(1)(a), Companies Act, 2013 and with an enhanced limit up to, not exceeding Rs.1500 Crores. The additional borrowing as proposed is towards the operational needs and business purposes of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Special Resolutions set out at Item No. 7 & 8 of the Notice

By order of the Board

**For OPTO CIRCUITS (INDIA) LIMITED,**

**Vinod Ramnani**

Chairman & Managing Director

**Place:** Bengaluru

**Date:** August 12, 2014

Registered Office: Plot No.83, Electronic City, Bengaluru - 560 100

CIN L85110KA1992PLC013223

Website: www.optoindia.com Email id: oci@optoindia.com

Email: investor's relations id- investorservices@optoindia.com

## OPTO CIRCUITS (INDIA) LIMITED

CINL85110KA1992PLC013223

Registered Office: Plot No.83, Electronics City, Bengaluru – 560 100

Website: www.optoindia.com Email id: oci@optoindia.com

Email: investor's relations id- investorsservices@optoindia.com

Tel: 080-28521040-41-42 Fax: 080-28521094

### ATTENDANCE SLIP

Venue of the meeting: Manipal County, No.65, Singasandra, Off Hosur Road, Bengaluru 560 068

Date & Time: 30th September 2014, at 12.00 Noon

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

Name	
Address	
DP Id*	
Client Id*	
Folio No.	

\*Applicable for investors holding shares in Electronic form.

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

I hereby record my presence at the 22nd Annual General Meeting of the Company held on 30th September 2014, at 12.00 Noon at Manipal County, No.65, Singasandra, Off Hosur Road, Bengaluru 560 068.

\_\_\_\_\_  
Signature of Member / Proxy

Note: 1. Electronic copy of the Annual Report for 2014 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.

2. Physical copy of the Annual Report for 2014 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email id is not registered or have requested for a hard copy.



# OPTO CIRCUITS (INDIA) LIMITED

CINL85110KA1992PLC013223

Registered Office: Plot No.83, Electronics City, Bengaluru - 560 100

Website: www.optoindia.com Email id: oci@optoindia.com

Email: investor's relations id- investorsservices@optoindia.com

Tel: 080-28521040-41-42 Fax: 080-28521094

## Form No. MGT-11 FORM OF PROXY

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

Venue of the meeting: Manipal County, No.65, Singasandra, Off Hosur Road, Bengaluru 560 068

Date & Time: 30th September 2014, at 12.00 Noon

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

Name	
Address	
DP Id*	
Client Id*	
Folio No.	

\*Applicable for investors holding shares in Electronic form.

I We \_\_\_\_\_ of \_\_\_\_\_  
\_\_\_\_\_ being a member/members of Equity Shares of Opto Circuits (India) Limited hereby  
appoint the following;

1. Name: Mr/Mrs \_\_\_\_\_  
Registered address \_\_\_\_\_  
Email id \_\_\_\_\_ Signature \_\_\_\_\_ or  
failing him/her;
2. Name: Mr/Mrs \_\_\_\_\_  
Registered address \_\_\_\_\_  
Email id \_\_\_\_\_ Signature \_\_\_\_\_ or  
failing him/her;
3. Name: Mr/Mrs \_\_\_\_\_  
Registered address \_\_\_\_\_  
Email id \_\_\_\_\_ Signature \_\_\_\_\_ or  
failing him/her;



As my/our Proxy to attend vote (for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company to be held on 30th September 2014, at 12.00 Noon and at any adjournment thereof).

\*\* I / We direct my / our proxy to vote on the resolution(s) in the manner as indicated below:

SI. No.	Resolutions	For	Against
1.	Adoption of Balance Sheet as at March 31, 2014 and Statement of Profit and Loss for the year ended together with the Reports of the Directors' and Auditors thereon.		
2.	Re-appointment of Mr. Jayesh Chandrakant Patel as Director.		
3.	Re-appointment of Mr. Thomas Dietiker as Director.		
4.	Appointment of M/s. Anand Amarnath and Associates, Chartered Accountants as Statutory Auditors of the Company.		
5.	Appointment of Mr. Rajkumar Tulsidas Raisinghani as an Independent Director.		
6.	Appointment of Dr. Anvay Vinayak Mulay as an Independent Director.		
7.	To approve borrowing powers of the Company.		
8.	To approve creation of security by way of mortgage, charge etc.		

Signed this..... day of..... 2014

Affix a One  
Rupee Revenue  
Stamp

Signature of shareholder

\_\_\_\_\_  
Signature of first Proxy holder

\_\_\_\_\_  
Signature of second Proxy holder

\_\_\_\_\_  
Signature of third Proxy holder

**NOTES:**

1. The form should be signed across the stamp as per specimen signature registered with the Company.
2. The proxy form should be deposited at least 48 hours before the commencement of the meeting at the registered office of the Company.
3. A proxy need not be a member of the Company.
4. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.
5. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
6. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the Meeting.
7. In case a member wishes his / her votes to be used differently, he / she should indicate the number of shares under the column "For" or "Against" as appropriate against any or all the Resolutions, the proxy will be entitled to vote in the manner he / she thinks appropriate.

\*\* This is optional. Please put a tick mark (√) in the appropriate column against the Resolutions indicated in the Box. If member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he /she thinks appropriate.

**FORM B**

1.	Name of the Company:	OPTO CIRCUITS (INDIA) LIMITED
2.	Annual financial statements for the year ended	31st March 2014
3.	Type of Audit qualification	Qualified...../ Subject to ...../ Except for.....
4.	Frequency of qualification	Point (a) is repetitive.
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Auditors Report dated 30th May, 2014 for Consolidated Financial Statements under the heading Opinion in points (a) to (f) and under other matters on page no 52 & 53 of the Annual Report
6.	Additional comments from the board/audit committee chair:	Explanation by Board of Directors, In their Report dated August 12, 2014 under heading Auditors Observation, on page 11 & 12 of the Annual Report.

For Opto Circuits (India) Limited

Vinod Ramnani  
Chairman & Managing Director