



OPTO CIRCUITS (INDIA) LIMITED. (UNIT II)
100% EOU

10th September 2016

The Manager
Department of Corporate Services
BSE Ltd
PJ Towers, Dalal Street, Fort,
MUMBAI - 400 001

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

Dear Sir/Madam,

Sub: **Copy of adopted Annual Report**

Pursuant to the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the adopted copy of Annual Report of 24th Annual General Meeting of the Company held on 7th September 2016 at 11.30 AM at Plot No.83, Electronic City, Hosur Road, Bangalore as per the Companies Act, 2013.

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

Thanking you,

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


Supriya Kulkarni,
Company Secretary.



SENSING TECHNOLOGY

ANNUAL REPORT
2015-16

BOARD OF DIRECTORS

Vinod Ramnani, Chairman & Managing Director

Jayesh C Patel, Director

Thomas Dietiker, Director

Dr. Suleman Adam Merchant, Director

Dr. Anvay Mulay, Director

Rajkumar Raisinghani, Director

Dr.Suchitra Misra, Director

Somadas G.C, Director

CHIEF FINANCIAL OFFICER

V. Sundar

COMPANY SECRETARY

Supriya Kulkarni

REGISTERED OFFICE

83, Electronics City,

Bengaluru 560 100, Karnataka, India

AUDITORS

Messrs B.V Swami & Co

Chartered Accountants

No.6, Commanders Place,

Richmond Circle, RRM Road,

Bengaluru -560025

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

24TH ANNUAL GENERAL MEETING

Day & Date: Wednesday, September 07, 2016

Time: 11:30 Am

Venue: # 83, Electronics City,

Bengaluru 560 100, Karnataka, India

COMPANY CO-ORDINATES FOR INVESTORS

9am IST - 5pm IST, Weekdays

83, Electronics City,

Bengaluru 560 100, Karnataka, India

T: 91 80 2852 1040/41/42

F: 91 80 2852 1094

E-mail: investorsservices@optoindia.com |

ir@optoindia.com

GROUP WEBSITES

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

www.csiusa.com

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

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

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

www.unetixs.com

CHAIRMAN'S STATEMENT

Dear Shareholder,

This year has continued to be a challenging one for your Company.

Your Company reported Consolidated Revenues of Rs. 347 Crores for the Financial Year 2016. The reason for this drop in revenues was, as reported in the Annual Report last year, the loan liability of Cardiac Science Corporation, by secured lenders DBS Bank Ltd was sold to Aurora Capital through its subsidiary CFS.

CFS has filed for Chapter XI of the US Bankruptcy code in US Bankruptcy Courts and the assets of Cardiac Science Corporation were taken over by CFS in December 2015. Hence, the revenues of Cardiac Science Corporation for the year were not booked in our revenues.

Your Company, however seeking appropriate legal remedial measures against this hostile takeover in the US Courts and shall keep you posted on further developments.

The shares of Criticare Corporation has also been pledged to DBS Bank Ltd for additional facilities granted by them. CFS had filed for winding up of Criticare. We have bought back the assets of Criticare through an open auction.

As a result of the above actions, while there is a drop in the group's revenues, the liabilities to the extent of USD \$ 82 Million Rs. 544 Crores has also been extinguished.

Opto Eurocor Healthcare Limited., Subsidiary Company, has launched a new Sirolimus based drug eluting stent 'SIROPRIME' in the Asian markets and The Company is also processing for other approvals for the European market which should be obtained in the current financial year. The Company also launched a shunt Balloon Catheters (high pressure Drug Eluting Balloon) for the treatment of shunt Stenosis, which is very useful for Dialysis patients. The Company will be launching this product in India soon.

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

Your Company R&D team continues to develop test and refine technologies to offer more efficient / effective patient care for the Global markets.

The focus over the past couple of years has been to integrate the various acquisitions and to take measured steps to ease the asset - liability mismatch, which has been achieved partially this year and Your Company is confident of completing this process soon.

We are working of setting things right to make your Company a stronger and more efficient Company. Focus will be on maximizing profits to the benefit of all stakeholders in your company.

I take this opportunity to thank all our stakeholders for their patience and continued trust in the Company. We continue to have strong IP backed products and customers and an extremely loyal customer's base, of course supported by an excellent management team around the World.

Yours Sincerely,

Vinod Ramnani

Chairman and Managing Director.

BOARD'S REPORT

To
The Members,

Your Board is pleased to present the 24th Annual Report on the business and operations of Opto Circuits (India) Limited, together with the financial statements of your Company for the financial period 1st April 2015 to 31st March 2016.

FINANCIAL HIGHLIGHTS: OPTO CIRCUITS – STANDALONE

₹ in Lakhs

Particulars for the year-ended March 31st	2016	2015
TOTAL REVENUES	7,667.51	14,092.24
Expenditure	9,422.80	16,036.52
Profit before Depreciation	(805.69)	(19,111.48)
Depreciation	949.60	972.80
Profit before Tax	(1,755.29)	(20,084.28)
Provision for Taxation	46.58	66.88
Profit for the year	(1,801.87)	(20,151.16)
Surplus carried to Balance Sheet	(1,801.87)	(20,151.16)

OPERATIONS - STANDALONE

Standalone Total Revenues was at Rs. 7,667.51 lakhs for the Financial Year ended 31st March 2016 as against Rs. 14,092.24 lakhs for the corresponding Financial Year ended March 31, 2015, a decline of 45.59 %. Standalone profit/ (loss) after tax for the Financial Year ended 31st March 2016 is at Rs. (1,801.87) lakhs, as against Rs.(20,151.16) Lakhs for the corresponding period Financial Year ended March 31, 2015.

DIVIDENDS

Your Directors have not recommended any dividend for the year ended 31st March 2016.

TRANSFER TO RESERVES

An amount of Rs. (1,801.87) lakhs is proposed to be retained in the Statement of Profit and Loss.

CHANGES IN SHARE CAPITAL.

There is no change in the Authorized, Issued and Paid Up Share Capital of the Company.

DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

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

DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS:

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

DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES:

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

GROUP FINANCIAL HIGHLIGHTS: OPTO CIRCUITS – CONSOLIDATED

₹ in Lakhs

Particulars for the year-ended March 31st	2016	2015
TOTAL REVENUES	34,678.16	121,191.72
Expenditure	30,620.55	127,270.08
Profit before Depreciation	4,057.61	(6,078.36)
Depreciation	4,136.71	9455.28
Profit before Tax	(79.10)	(15,533.64)
Provision for Taxation	114.91	171.28
Profit for the year	(194.01)	(15,704.92)
APPROPRIATIONS		
Proposed Dividend	-	-
Tax on Dividend	-	-
Minority Interest	48.63	(67.47)
Surplus carried to Balance Sheet	(242.64)	(15,637.45)

OPERATIONS - CONSOLIDATED

Consolidated Revenue is at Rs. 34,678.16 lakhs for the Financial Year ended 31st March 2016 as against Rs. 121,191.72 lakhs for the corresponding period of Financial Year 2015. Consolidated Profit after tax for the year ended 31st March 2016 is at Rs. (194.01) lakhs, as against Rs. (15,704.92) lakhs for the corresponding period of financial year 2015. Earnings per share for the year ended 31st March 2016 is at Rs. (0.10) (Basic).

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

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

The Policy for determining material subsidiaries as approved may be accessed on the Company's website at the link:

<http://www.optoindia.com/pdf/OCIL%20-%20Policy%20on%20Material%20Subsidiariesx.pdf>

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

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

While an aging population, chronic lifestyle diseases, expansion of emerging markets and advances in technology are expected to drive growth, however there are certain

factors which are considerably altering the healthcare demand and delivery landscape.

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

The Indian medical device industry though in its nascent stages shows great potential due to its strong private healthcare system, growing middle class with increasing income levels, change in the disease profiles (lifestyle diseases), greater penetration of health insurance, government focus on healthcare infrastructure development and rising awareness of personal healthcare.

COMPANY OVERVIEW

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

Your Company's interventional products include stents, balloons both drug eluting and non-drug eluting and AV Shunts used for the treatment of coronary and peripheral arterial diseases, as well as catheters and implants that are inserted in the human body. Your Company has proprietary technology with respect to the design and development of these products allowing us to differentiate these from competing devices. Some of our well known brands in this segment are Dior, Freeway, E-Magic Plus, and Genius Magic, Siro Prime, Freeway Shunt Balloon Catheter.

Your Company develops, manufacture, and market a broad range of advanced cardiac diagnostic and therapeutic

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

Your Company also sell a variety of related products and consumables and offer a portfolio of related training and key support services, including the installation, training, monitoring and maintenance of our equipments, which allow our customers to optimize the usage of our products and provide us with recurring revenues on a contracted basis. Some of our well known brands in this segment are, Revo NCompass, NGenuity, Poet IQ, etc.

STRENGTHS OF YOUR COMPANY

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

BUSINESS PERFORMANCE ANALYSIS CONSOLIDATED

The Company reported consolidated Sales of 347 Crores in Financial Year 2015-16, a decline of 71% over ₹ 1,212 Crores reported in Financial Year 2014-15. The decline in sales can

be attributed to partly the hostile takeover of CSC, reported elsewhere, causing CSC not to be a Subsidiary of Opto Circuits (India) Limited, hence the entire revenues of CSC were not taken into this year's revenues combined with, and a softening of European Markets and overall economic slowdown. Further, Opto Eurocor Healthcare Limited and the Standalone entity were entities that witnessed a significant decrease in revenues thereby contributing to the overall decline in consolidated revenues.

The Company reported a net loss of Rs. 2.4 Crores in Financial Year 2015-16 which apart from being caused by the revenue decrease was also impacted by the hostile takeover of CSC as detailed below.

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

The Shares of Criticare Systems Inc, had also been pledged to DBS, for additional lines granted by them to DBS. CFS has filed Chapter XI of the US Bankruptcy Code, in US Bankruptcy Courts in the Western District of Wisconsin of Cardiac Science Corporation, to facilitate Debt Restructuring and to protect itself from miscellaneous creditors. Opto Circuits (India) Limited and Opto Cardiac Care Limited as owners of Cardiac Science Corporation are seeking appropriate legal recourse to protect the rights of the Shareholders.

Your Directors are fighting the legal battle against this hostile takeover, which may take some time, but are confident that it will be to the benefit of your Company and also to Shareholders.

STANDALONE

The standalone Company reported Sales of Rs. 76.67 Crores in Financial Year 2015-16, a decline of 47.54% over 146.14 Crores reported in Financial Year 2014-15. The Company reported a net loss of Rs. 18.01 Crores in the Financial Year 2015-16 being affected by the decreased sales.

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

RESULTS OF OPERATIONS

STATEMENT OF PROFIT AND LOSS - STANDALONE

The following table sets forth selected financial data from our audited standalone Statement of profit and loss, the component of which are also expressed as a percentage of our total income for the periods indicated:

₹ in Lakhs

Particulars for the year ended March 31st	2016	% of Total Income	2015	% of Total Income
INCOME				
Sales	7,667.15	100.00	14,614.32	103.70
Other Income	0.36	0.00	(522.08)	(3.70)
TOTAL	7,667.51	100.00	14,092.24	100.00
EXPENDITURE				
Manufacturing Expenses	3,311.16	-	7,373.71	-
Increase/Decrease in WIP&FG	144.79	-	31.35	-
Net Manufacturing Expenses	3,455.95	45.07	7,405.07	52.55
Administrative & Selling Expenses	1,865.57	24.33	1,877.05	13.32
Financial Expenses	3,151.68	41.10	5,781.61	41.03
Depreciation	949.60	12.38	972.80	6.90
Exceptional Items	-	-	18,140.00	128.72
TOTAL	9,422.80	122.89	34,176.52	242.52
Profit before Tax	(1,755.29)	(22.89)	(20,084.28)	(142.52)
Provision for Taxation	46.58	0.61	66.88	0.47
Profit after Tax	(1,801.87)	(23.50)	(20,151.16)	(142.99)

INCOME

Total Turnover

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Sales	7,667.15	14,614.32
Other Income	0.36	(522.08)
Total Income	7,667.51	14,092.24

Factory expenses of Rs. 653.85 Lakhs in FY 2016 vs 986.83 Lakhs in FY 2015 is due to decrease in expenses towards Research & Development.

ADMINISTRATIVE AND SELLING EXPENSES

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Administrative Expenses	746.34	705.14
Staff Expenses	977.96	1,006.96
Selling Expenses	141.28	164.94
Total Expenses	1,865.58	1,877.05
Total Expenses as % of Income	24.33%	13.32%

OTHER INCOME

Other Income which was Rs.(522.08) lakhs in FY 2015 has an income of 0.36 lakhs in FY 2016. Major components of other income comprise of income/loss from foreign exchange fluctuations.

EXPENDITURE

NET MANUFACTURING EXPENSES

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Manufacturing Expenses	2,657.31	6,386.88
Less: (Inc)/Dec in WIP & Finished Goods	144.79	31.35
Factory Expenses	653.85	986.83
Total Expenses	3,455.95	7,405.06
Total Expenses as % of Income	45.07%	52.55%

FINANCIAL EXPENSES

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Financial charges	3,151.68	5,781.61
TOTAL	3,151.68	5,781.61
Total Expenses as % of Income	41.10%	41.03%

In FY 2016, financial expenses largely comprised interest cost on working capital.

PROFIT BEFORE DEPRECIATION, INTEREST AND TAX (PBDIT)

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Profit before Depreciation, Interest & Tax	2,345.99	(13,329.87)
Profit before Depreciation, Interest & Tax as % of Total Income	30.60%	-94.59%

NET PROFIT AFTER TAX

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Net Profit after Tax	(1,801.87)	(20,151.16)
Net Profit after Tax as % of Total Income	-23.50%	-142.99%

BALANCE SHEET- STANDALONE

₹ in Lakhs

Particulars	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES		
Share Holders Funds		
(a) Share Capital	24,231.94	24,231.94
(b) Reserve and Surplus	102,465.09	104,266.96
	126,697.03	128,498.90
Non -Current Liabilities		
(a) Long Term Borrowings	-	387.50
	-	387.50
Current Liabilities		
(a) Short- term borrowings	64,789.34	86,907.16
(b) Trade payables	22,784.22	11,777.84
(c)Other Current Liabilities	11,444.82	14,756.20
(d) Short-term provisions	125.25	93.77
	99,143.63	113,534.97
Total	225,840.66	242,421.37
ASSETS		
Non-Current Assets		
(a) Fixed Assets		
(i) Tangible assets	8,498.49	9,491.43
(ii) Intangible assets	10,210.43	-
	18,708.92	9,491.43
(b) Non-current investments	38,166.45	38,166.46
(c) Deferred tax assets (net)	5.95	35.00
	38,172.40	38,201.46
Current Assets		
(a) Inventories	28,098.68	34,165.16
(b) Trade Receivables	59,977.61	64,599.91
(c) Cash and Cash Equivalentents	276.05	175.75
(d) Short-term-loans and advances	80,599.79	95,779.76
(e) Other current assets	7.21	7.90
	168,959.34	194,728.48
Total	225,840.66	242,421.37

NET WORTH

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Share Capital	24,231.94	24,231.94
Reserves & Surplus	102,465.09	104,266.96
Net Worth	126,697.03	128,498.90

LOAN FUNDS

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Short Term Borrowings	64,789.34	86,907.16
Long Term Borrowings	775.00	1,756.51
Total Loan Funds	65,564.34	88,663.67

FIXED ASSETS

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Total Net Block	18,708.92	9,491.43

RAW MATERIAL INVENTORY

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Raw Materials & Consumables	19,203.69	25,125.37
Number of days to Sales	914	628

FINISHED GOODS AND WORK IN PROCESS

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Finished Goods and Work-in process	8,894.99	9,039.78
Number of days to sales	423	226

DEBTORS

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Debtors	59,977.61	64,599.91
Number of days to Sales	2855	1613

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

CURRENT LIABILITIES

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Trade payables	22,784.22	11,777.84
Other current liabilities	10,669.82	13,387.19
Short-term provisions	125.25	93.77
Total Current Liabilities	33,579.29	25,258.80
Number of days to sales	1599	631

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 Lakhs

Particulars for the year ended March 31st	2016	% of Total Income	2015	% of Total Income
INCOME				
Sales	31,297.65	90.25%	118,711.79	97.95%
Other Income	3,380.51	9.75%	2,479.93	2.05%
TOTAL	34,678.16	100.00%	121,191.72	100.00%
EXPENDITURE				
Cost of materials consumed	16,805.05		65,517.72	
Increase/Decrease in W I P & Finished Goods	293.44		(391.49)	
Net Manufacturing Expenses	17,098.49	49.31%	65,126.23	53.74%
Employee benefit expense	5,279.50	15.22%	13,679.67	11.29%
Financial Cost	4,366.33	12.59%	14,350.99	11.84%
Depreciation/Amortization	4,136.71	11.93%	9,455.28	7.80%
Other Expenses	8,236.89	23.75%	15,973.19	13.18%
Exceptional Items	(868.57)	-2.50%	18,140.00	14.97%
Extraordinary Items	(3,492.08)	-10.07%	-	0.00%
TOTAL	34,757.27	100.23%	136,725.36	112.82%
Profit for the year before Tax	(79.11)	-0.23%	(15,533.64)	-12.82%
Provision for Taxation	114.90	0.33%	171.28	0.14%
Profit After Tax	(194.01)	-0.56%	(15,704.92)	-12.96%

INCOME

TOTAL TURNOVER

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Sales	31,297.65	118,711.79
Other Income	3,380.51	2,479.93
Total Income	34,678.16	121,191.72

STAFF & OTHER EXPENSE

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Staff Expenses	5,279.50	13,679.67
Other Expenses	8,236.89	15,973.19
Total	13,516.39	29,652.86
Total expense as % of Income	38.98%	24.47%

EXPENDITURE

MANUFACTURING EXPENSE

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Manufacturing Expenses	16,805.05	65,517.72
Less: (Inc)/Dec in WIP & Finished Goods	293.44	(391.49)
Total expense	17,098.49	65,126.23
Total expense as % of Income	49.31%	53.74%

FINANCIAL EXPENSES

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Financial Charges	4,366.33	14,350.99
Total	4,366.33	14,350.99
Financial expense as % of Income	12.59%	11.84%

DEPRECIATION & AMORTISATION

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Depreciation & Amortization	4,136.71	9,455.28
Total	4,136.71	9,455.28
Depreciation & Amortization as % of Income	11.93%	7.80%

NET PROFIT

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Net Profit after Tax	(194.01)	(15,704.92)
Net Profit as % of Income	-0.56%	-12.96%

PROFIT BEFORE DEPRECIATION, INTEREST AND TAX (PBDIT)

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Profit before Depreciation, Interest & Tax	8,423.93	8,272.63
PBDIT as % of Income	24.29%	6.83%

CASH PROFIT AFTER TAX

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Cash Profit after Tax	3,942.70	(6,249.64)
Cash profit after Tax as % of Income	11.37%	-5.16%

BALANCE SHEET- CONSOLIDATED

₹ in Lakhs

Particulars	As at March 31, 2016	As at March 31, 2015
EQUITY AND LIABILITIES		
(a) Share Capital	24,231.94	24,231.94
(b) Reserves and Surplus	144,599.50	171,006.52
	168,831.44	195,238.46
Minority Interest	1,818.54	1,903.23
Non-Current Liabilities		
(a) Long-term borrowings	6,848.13	1,848.86
(b) Deferred tax liabilities (Net)	-	-
(c) Long term provisions	60.48	271.66
	6,908.61	2,120.52
Current Liabilities		
(a) Short-term borrowings	102,754.82	135,399.30
(b) Trade payables	29,489.54	26,573.11
(c) Other current liabilities	9,028.63	58,685.99
(d) Short-term provisions	2,418.15	5,486.27
	143,691.14	226,144.67
Total	321,249.73	425,406.88
ASSETS		
Non-current assets		
(a) Fixed assets		
(i) Tangible assets	21,672.99	39,548.62
(ii) Intangible assets	27,494.02	13,908.29
(iii) Capital work-in-progress	3,301.52	3,101.96
	52,468.53	56,558.87
(b) Goodwill on Consolidation	13,220.51	42,114.00
(c) Non-current investments	1.09	1.09
(d) Deferred tax assets (net)	19.60	7,350.43
(e) Long term loans and advances	8.34	8.34
(f) Other non-current assets	6,514.77	6,574.87
	6,543.80	13,934.73
Current assets		
(a) Inventories	48,051.96	74,992.57
(b) Trade receivables	166,078.44	184,271.99
(c) Cash and Cash Equivalents	955.89	2,599.74
(d) Short-term loans and advances	33,616.38	47,528.17
(e) Other current assets	314.22	3,406.81
	249,016.89	312,799.28
Total	321,249.73	425,406.88

NET WORTH

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Share Capital	24,231.94	24,231.94
Reserves & Surplus	144,599.50	171,006.52
Net Worth	168,831.44	195,238.46

LOAN FUNDS

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Total Loan Funds	86,710.52	164,172.19

FIXED ASSETS

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Net block of Tangible Assets	21,672.99	39,548.62
Net block of Intangible Assets	27,494.02	13,908.29
Total Net Block	49,167.01	53,456.91

GOODWILL

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Opening Balance	42,114.00	42,114.00
Additions/(Deletion) during the year net of Capital Reserve	(28,893.49)	-
Closing Balance	13,220.51	42,114.00

RAW MATERIAL INVENTORY

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Raw materials & Consumables	41,751.80	53,779.08
Number of days to Consumption	1391	275

FINISHED GOODS AND WORK IN PROCESS

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Finished Goods	3,176.54	5,011.69
Work in Process	9,365.95	9,952.65
Stock of Finished Goods and Work in Process	12,542.49	14,964.34
Number of days to Sales	146	46

DEBTORS

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Debtors	166,078.44	184,271.99
Number of days to Sales	1,937	567

CURRENT LIABILITIES

₹ in Lakhs

Particulars	31.03.2016	31.03.2015
Current Liabilities	40,095.47	48,878.48
Number of days to Sales	468	150

CONSERVATION OF ENERGY

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

FOREIGN EXCHANGE EARNINGS AND OUTGO.

Your Company earned Rs. 12,334.90 Lakhs in foreign exchange in the year under review.

Foreign Exchange Outflow was Rs. 1,736.20 Lakhs.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

There were no employees, who were in receipt of remuneration in excess of Rupees One Crore Two Lakhs or more or employed part of year and in receipt of remuneration in excess of Rupees Eight Lakhs Fifty Thousand or more, a month, under information as per Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

Having regard to the provisions of the first proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the information on Disclosures pertaining remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016. is being sent to the members of the Company. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of corporate governance and adhere to the

corporate governance requirements set out by SEBI. The report on corporate governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Practising Company Secretary confirming compliance with the conditions of corporate governance is attached to the report on corporate governance.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) In the preparation of the Annual Accounts for the year ended March 31, 2016, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended on that date;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts on a going concerns basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

LISTING OF SECURITIES

Your Company's Equity Shares continue to remain listed on BSE Limited and the National Stock Exchange of India Limited. As per the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which came in effect from December 1, 2015, a shortened version of the Uniform Listing Agreement was signed by the Company with both the Stock Exchanges. Your Company has paid the listing fees as payable to the BSE Limited and the National Stock Exchange of India Limited for the financial year 2016-17.

FIXED DEPOSITS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

INDUCTION

On the recommendation of Nomination and Remuneration Committee, The Board appointed Mr. Somadas G.C (holding DIN: 00678824) as an additional Director in the category of Independent Director, with effect from 26th April 2016. The Directors seek your support in confirming the appointment of Mr. Somadas G.C. in the ensuing Annual General Meeting.

RETIREMENT AND REAPPOINTMENTS

As per the provisions of the Companies Act, 2013, Mr. Thomas Dietiker (holding DIN : 01424625), retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. The Board of Directors recommends the appointment of Mr. Thomas Dietiker as Director of the Company.

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

DECLARATION BY INDEPENDENT DIRECTORS.

The Company has received necessary declaration from Independent Directors that they meet the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013 and the provisions of Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Training of Independent Directors.

To familiarize the new inductees with strategy operations and functions of our Company, Senior managerial personnel make presentations on Company's strategy, organization structure, products, technology, quality, facilities. Further at the time of appointment of an Independent Director, the Company issues a formal letter of appointment outlining his or her role, function, duties and None of the Directors of your Company are related to each other.

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

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

POLICY ON DIRECTORS APPOINTMENT REMUNERATION AND EVALUATION.

Your Company has in place, the Nomination Remuneration and Evaluation Policy of the Company on Directors appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of director and other matters provided under sub Section (3) of Section 178 of the Companies Act, 2013. The Policy also contains the evaluation framework as stipulated under SEBI Listing Regulations, 2015 which mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013, states that a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and individual Directors. The evaluation of all the Directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

MEETINGS OF THE BOARD

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

COMMITTEES OF THE BOARD.

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

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

AUDITORS

Based on the recommendation of Audit and Risk Management Committee, the Board of Directors appointed Messrs B.V.Swami & Co, Chartered Accountants, Bangalore as Statutory Auditors for the Financial Year 2015- 2016, to fill up the casual vacancy in place of Messrs Anand Amaranth & Associate, Chartered Accountants, Bangalore,

with effect from May 30th 2016.

Casual vacancy caused by the reason other than resignation of auditors can be filled up by the Board and Auditor appointed by Board shall hold office till the conclusion of ensuing Annual General Meeting.

As the term of Messrs B.V.Swami & Co, Statutory Auditor, comes to an end at the conclusion of ensuing Annual General Meeting, approval of members is sought at the ensuing 24th Annual General Meeting to appoint Messrs B.V.Swami & Co, Chartered Accountants, Bangalore as Statutory Auditors for the Financial Year 2016- 17.

Messrs B.V.Swami & Co, Chartered Accountants, have conveyed their consent to be appointed as the Statutory Auditors of the Company.

SECRETARIAL AUDITOR

The Board has appointed Mr. Vijayakrishna KT, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2015-16. The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith marked as Annexure 1 in the Form of MR 3 to this Report. The Board of Directors of the Company hereby furnish following explanations and clarifications with respect the observations made by the Secretarial Auditors in their report dated July 29,2016 under the heading observations in points (a) to (c):

- (a) Owing to the operational challenges and fund constraints, your Company was unable to undertake CSR activities for the financial year 2015 -16.
- (b) The Company will take necessary steps to comply the appointment of Internal Auditor.
- (c) Due to technical issues in making the requisite returns, digitally signing the same and uploading, delays occurred in filings of certain returns. Extreme levels of care and caution will be exercised to ensure that such delays do not occur again.

RISK MANAGEMENT

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

INTERNAL FINANCIAL CONTROLS

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

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract/ arrangement /transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Accordingly, the disclosure of Related Party Transactions as required under section 134(3)(h) of Companies Act,2013 in Form AOC -2 is not applicable.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link:

<http://www.optoindia.com/pdf/OCIL%20-%20Policy%20on%20Related%20Party%20Transaction.pdf>

Your Directors draw attention of the members to Note No. 30 to the financial statement which sets out related party disclosures.

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

During the year under review, the Company has not given any loan, Guarantees or made Investments within the meaning of Section 186 of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee (CSR Committee) appointed by the Board, has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy may be accessed on the Company's website at the link:

<http://www.optoindia.com/pdf/OCIL%20-%20CSR%20Policy.pdf>

In terms of Section 134 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the annual report on Corporate Social Responsibility activities of the Company is given in Annexure 2 to this report.

Owing to the operational challenges and fund constraints; your Company was unable to undertake CSR activities for the financial year 2015-16.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

The policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link:

<http://www.optoindia.com/pdf/OCIL%20-%20Whistle%20Blower%20Policy.pdf>

POLICY ON DISCLOSURE OF MATERIAL EVENTS AND INFORMATION

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

The said Policy is available on the website of the Company at

<http://www.optoindia.com/pdf/OCIL%20-%20Policy%20on%20Disclosure%20of%20Material%20Event%20and%20Informationx.pdf>

POLICY ON PRESERVATION OF DOCUMENTS AND RECORDS.

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

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as Annexure 3 to this Report.

SIGNIFICANT AND MATERIAL ORDERS.

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

AUDITORS OBSERVATION ON STANDALONE FINANCIAL STATEMENTS

The Board of Directors of the Company response to the Qualifications/observations made by the Auditors in their Report dated 14th June, 2016 for the Standalone Financial Statements under the heading Basis for qualified Opinion in points [a] to [d] and Response to Annexure to the Auditors Report Point [iii(b)].

RESPONSE TO QUALIFIED OPINION:

a) i) Receivables:

The Company is constantly pursuing these long overdues with the debtors and that the progress is encouraging. The company was able to recover amounts aggregating to Rs. 12,300 Lakhs during the Financial Year. Further the company has recovered Rs. 1,500 Lakhs as on date of the report.

Further the Company will constantly pursue and put in efforts to recover the long outstanding receivables and in extremely difficult cases, the Company would seek Regulatory approvals as required for write off as needed.

ii) Payables:

Regarding the payables over 3 years, the Company had observed certain quality issues with the materials supplied by the concerned vendors and that the Company is negotiating with these with the vendors for an amicable settlement.

b) Interest on Bank Borrowings:

As regards the interest on borrowings from the Banks, the banks have classified these borrowings as NPA and have not been providing interest on the same as per RBI Guidelines and hence the Company has not provided for the same.

c) Impairment of Investment and Advances to Opto Cardiac Care Limited (OCCL):

With regard to the investment in Opto Cardiac Care Ltd, [OCCL] a subsidiary of the company, subsequent to the hostile takeover of Cardiac Science Corporation, USA, [CSC], a subsidiary of OCCL, the Company is seeking appropriate legal recourse to protect the rights of the shareholders. Your company will take a decision to impair the investments when these legal cases are settled.

d) As regards the Winding up notices and notice under

the SARFAESI Act, the Company is negotiating with the respective banks for an amicable settlement of the liabilities.

RESPONSE TO ANNEXURE TO THE AUDITORS REPORT

[iii(b)] Regarding Loans and Advances to Subsidiaries:

The Company has granted unsecured loans to its subsidiaries for their working capital needs and no interest has been charged.

AUDITORS OBSERVATION ON CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors of the Company response to the Qualifications/observations made by the Auditors in their Report dated 14th June, 2016 for the Consolidated Financial Statements under the heading Basis for qualified Opinion in points [1] to [8].

RESPONSE TO QUALIFIED OPINION:

1. Non Moving Stock:

The Company is examining the quality of non-moving stocks and take appropriate action in due course.

2. i) Long outstanding Receivables:

The Company is constantly pursuing these long overdues with the debtors and that the progress is encouraging. The Company would constantly pursue and put in efforts to recover the long outstanding receivables and in extremely difficult cases, the Company would seek Regulatory approvals as required for write off if needed.

ii) Long outstanding Payables:

Regarding the payables over 3 years, the Company had observed certain quality issues with the materials supplied by the concerned vendors and that the Company is negotiating with these with the vendors for an amicable settlement.

iii) Advances to Suppliers:

The Company has given advances to suppliers for supply of the materials. The delay in supply of the materials is due to certain product/design specification changes.

3. As regards the Winding up notices and notice under the SARFAESI Act, the Company is negotiating with the respective banks for an amicable settlement of the liabilities.

4. Advances Micronics Devices Ltd has a branch at USA. There is no mandatory requirement for such branch audit in the USA. The Company has sufficient adequate internal control systems, checks and mechanisms in place and is directly monitoring the same.

5. We have appointed auditors to audit our overseas subsidiaries and await the audit reports.

6. Regarding Service Tax Liability the Company has taken up this matter with the department and awaiting the outcome of the assessment.

7. The Company's management is working out options to revive these subsidiaries.

8. Loss of Investment:

Refer to the observations made in the Directors report under Business Performance analysis.

RESPONSE TO AUDITORS' OBSERVATIONS ON EMPHASIS OF MATTERS

1] Please refer to the Section Business Performance and Analysis [Consolidated] in Directors' Report and also the section in Management Discussions and Analysis under the Caption Consolidated- Business Performance and Analysis.

INDUSTRIAL RELATIONS

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

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

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

A policy on Prevention of Sexual Harassment a Workplace has been released by the Company. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. Three member Internal Complaints Committee (ICC) was set up from the senior management with women employees constituting majority. The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy. No complaints pertaining to sexual harassment was reported during the year.

ACKNOWLEDGEMENTS

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

For and on behalf of the Board

VINOD RAMNANI

Chairman and Managing Director

Place: Bengaluru

Date: July 29, 2016

**ANNEXURE 1 - SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2016**

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

To
The Members,
OPTO CIRCUITS (INDIA) LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Opto Circuits (India) Limited (CIN: L85110KA1992PLC013223) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Opto Circuits (India) Limited for the financial year ended on 31.03.2016 according to the provisions of:

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (c) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (h) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(vi) There are no specific laws applicable to the Company pursuant to the business carried by the Company.

(vii) The other general laws as may be applicable to the Company including the following:

(1) Employer/Employee Related laws & Rules:

- i. Industries (Development & Regulation) Act, 1951
- ii. The Factories Act, 1948 (in case of manufacturing companies, where applicable)
- iii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
- iv. The Apprentices Act, 1961
- v. The Employees Provident Fund & Miscellaneous Provisions Act, 1952

OPTO CIRCUITS (INDIA) LIMITED

- vi. The Employees State Insurance Act, 1948
- vii. The Workmen's Compensation Act, 1923
- viii. The Maternity Benefits Act, 1961
- ix. The Payment of Gratuity Act, 1972
- x. The Payment of Bonus Act, 1965
- xi. The Industrial Disputes Act, 1947
- xii. The Trade Unions Act, 1926
- xiii. The Payment of Wages Act, 1936
- xiv. The Minimum Wages Act, 1948
- xv. The Child Labour (Regulation & Abolition) Act, 1970
- xvi. The Contract Labour (Regulation & Abolition) Act, 1970
- xvii. The Industrial Employment (Standing Orders) Act, 1946
- xviii. Equal Remuneration Act, 1976
- xix. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
- xx. The Industrial Establishments (National and Festival Holidays) Act, 1963
- xxi. The Labour Welfare Fund Act, 1965
- xxii. The Karnataka Daily Wage Employees Welfare Act, 2012
- xxiii. For majority of Central Labour Laws the State has introduced Rules [names of each of the Rules is not included here]

(2) Environment Related Acts & Rules:

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

3) Economic/Commercial Laws & Rules:

- i. The Competition Act, 2002
- ii. The Indian Contract Act, 1872
- iii. The Sales of Goods Act, 1930
- iv. The Indian Stamp Act, 1899
- v. The Transfer of Property Act, 1882

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS - 2 (applicable from 1st July, 2015).
- (ii) The Listing Agreements entered into, by the Company with the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, wherever applicable.

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

- a) Section 135 of the Companies Act, 2013 (Corporate Social Responsibility) is not complied with.**
- b) Section 138 (Appointment of Internal Auditor) is not complied with.**

c) The Company has not filed Financial Statements before the Registrar of Companies as required under Section 137 (1) read with rule 12 of The Companies (Accounts) Rules, 2014.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors which took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such case instance.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Signature

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

Place: Bengaluru
Date: 29.07.2016

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

'ANNEXURE'

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

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

Signature

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

Place: Bengaluru
Date: 29.07.2016

OPTO CIRCUITS (INDIA) LIMITED

ANNEXURE 2 - ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES.

1. BRIEF OUTLINE OF CSR POLICY

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

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

The detailed CSR policy may be accessed on the Company's website at the link:

<http://www.optoindia.com/pdf/OCIL%20-%20CSR%20Policy.pdf>

2. COMPOSITION OF CSR COMMITTEE

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

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

3. AVERAGE NET PROFITS

The average net profits, i.e. profits before tax of the Company during the three immediately preceding financial years were Rs. 3,192 Lakhs.

4. PRESCRIBED CSR EXPENDITURE

The prescribed CSR expenditure was Rs. 64 Lakhs, i.e. 2 % of the average net profits mentioned in point 3 above.

5. DETAILS OF CSR SPENT

The Company has not spent on CSR activities for the financial year 2015-16. The reason for the same has been explained in the Board's Report.

6. RESPONSIBILITY STATEMENT

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

For and on behalf of the Board of Directors

RAJKUMAR RAISINGHANI
Chairman, CSR Committee
(DIN: 01411084)

VINOD RAMNANI
Member
(DIN :01580173)

Place: Bengaluru
Date: July 29, 2016

ANNEXURE 3 - EXTRACT OF ANNUAL RETURN

FORM NO MGT - 9

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

REGISTRATION AND OTHER DETAILS

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

PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

PARTICULARS OF HOLDING SUBSIDIARY AND ASSOCIATES COMPANIES

Particulars	Country	CIN/GLN	Holding / subsidiary associate	% holding as at March 31, 2016	Applicable section
Advanced Micronic Devices Ltd	India	L30007KA1994PLC015445	Subsidiary	59.71	Section 2(87)
Mediaid Inc	USA	NA	Subsidiary	100	Section 2(87)
Devon Innovation Pvt Ltd	India	U29297KA1991PTC011705	Subsidiary	100	Section 2(87)
Ormed Medical Technology Ltd	India	U24231TN19900LC019022	Subsidiary	100	Section 2(87)
Opto Infrastructure Ltd	India	U70102KA2007PLC044004	Subsidiary	87.20	Section 2(87)
Maxcore Life science Inc	USA	NA	Subsidiary	100	Section 2(87)
Opto Circuits (Malaysia) Sdn. Bhd	Malaysia	NA	Subsidiary	100	Section 2(87)
Opto Cardiac Care Ltd	India	U85110KA2008PLC047726	Subsidiary	100	Section 2(87)
Opto Eurocor Healthcare Ltd	India	U30007KA1994PLC015355	Subsidiary	96.85	Section 2(87)

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

(i) Category-wise shareholding

CATEGORY CODE	CATEGORY OF SHAREHOLDER	No of Shares held at the beginning of the year April 01,2015				No of Shares held at the beginning of the year March 31, 2016				% change during the year.
		Demat	Physical	Total	% OF TOTAL SHARES	Demat	Physical	Total	% OF TOTAL SHARES	
I	II	III	IV	V	VI	VII	VIII	IX	X	XI
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	55,444,740		55,444,740	22.88	55,444,740		55,444,740	22.88	0.00
(b)	Central Government/State Government(s)	0		0	0.00	0		0	0.00	0.00
(c)	Bodies Corporate	0		0	0.00	0		0	0.00	0.00
(d)	Financial Institutions / Banks	0		0	0.00	0		0	0.00	0.00
(e)	Others	0		0	0.00	0		0	0.00	0.00
	Sub-Total A(1) :	55,444,740		55,444,740	22.88	55,444,740		55,444,740	22.88	0.00
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	13,076,150		13,076,150	5.40	13,076,150		13,076,150	5.40	0.00
(b)	Bodies Corporate	0		0	0.00	0		0	0.00	0.00
(c)	Institutions	0		0	0.00	0		0	0.00	0.00
(d)	Qualified Foreign Investor	0		0	0.00	0		0	0.00	0.00
(e)	Others	0		0	0.00	0		0	0.00	0.00
	Sub-Total A(2) :	13,076,150		13,076,150	5.40	13,076,150		13,076,150	5.40	0.00
	Total A=A(1)+A(2)	68,520,890		68,520,890	28.28	68,520,890		68,520,890	28.28	0.00
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS									
(a)	Mutual Funds /UTI	2629		2629	0.00	2540		2540	0.00	0.00
(b)	Financial Institutions /Banks	4,500,002		4,444,232	1.86	4,444,232		4,444,232	1.83	-0.03
(c)	Central Government / State Government(s)	0		0	0.00	0		0	0.00	0.00
(d)	Venture Capital Funds	0		0	0.00	0		0	0.00	0.00

CATEGORY CODE	CATEGORY OF SHAREHOLDER	No of Shares held at the beginning of the year April 01,2015				No of Shares held at the beginning of the year March 31, 2016				% change during the year.
		Demat	Physical	Total	% OF TOTAL SHARES	Demat	Physical	Total	% OF TOTAL SHARES	
(e)	Insurance Companies	0		0	0.00	0		0	0.00	0.00
(f)	Foreign Institutional Investors	38,411,792		38,411,792	15.85	6,224,180		6,224,180	2.57	-13.28
(g)	Foreign Venture Capital Investors	0		0	0.00	0		0	0.00	0.00
(h)	Qualified Foreign Investor	0		0	0.00	0		0	0.00	0.00
(i)	Others	0		0	0.00	0		0	0.00	0.00
	Sub-Total B(1) :	42,914,423		42,914,423	17.71	10,670,952		10,670,952	4.40	-13.31
(2)	NON-INSTITUTIONS			0	0.00			0	0.00	0.00
(a)	Bodies Corporate	16,127,099	200,796	16,327,895	6.74	21,210,225	3,867	21,214,092	8.75	2.01
(b)	Individuals			0	0.00			0	0.00	0.00
	(i) Individuals holding nominal share capital up to Rs.1lakhs	56,994,212	204,002	57,198,214	23.60	82,327,850	300,829	82,628,679	34.10	10.50
	(ii) Individuals holding nominal share capital in excess of Rs.1lakhs	36,136,188	672,899	36,809,087	15.19	38,145,921	293,697	38,439,618	15.86	0.67
(c)	Others	0	0	0	0.00	0	11287	11287	0.00	0.00
	FOREIGN NATIONALS	39		39	0.00	39		39	0.00	0.00
	NON RESIDENT INDIANS	19,237,496	341312	19,578,808	8.08	19,554,463	341,312	19,895,775	8.21	0.13
	CLEARING MEMBERS	964,893	0	964,893	0.40	870,443		870,443	0.36	-0.04
	TRUSTS	5158	0	5158	0.00	12592		12592	0.01	0.01
(d)	Qualified Foreign Investor	0		0	0.00	0		0	0.00	0.00
	NBFCs Registered with RBI			0	0.00	55040		55040	0.02	0.02
	Sub-Total B(2) :	129,465,085	1419,009	130,884,094	54.01	162,176,573	950,992	163,127,565	67.32	13.31
	Total B=B(1)+B(2) :	172,379,508	1,419,009	173,798,517	71.72	172,847,525	950,992	173,798,517	71.72	0.00
	Total (A+B) :	240,900,398	1419,009	242,319,407	100.00	241,368,415	950,992	242,319,407	100.00	0.00
(C)	Shares held by custodians, against which Depository Receipts have been issued		0	0.00			0	0.00		
(1)	Promoter and Promoter Group	0	0	0	0.00	0		0	0.00	0.00
(2)	Public	0	0	0	0.00	0		0	0.00	0.00
	GRAND TOTAL (A+B+C) :	240,900,398	1,419,009	242,319,407	100.00	241,368,415	950,992	242,319,407	100.00	0.00

OPTO CIRCUITS (INDIA) LIMITED

(II) SHAREHOLDING OF PROMOTERS

Shareholding at the beginning of the year				Shareholding at the end of the year			
Name of the Shareholder	No of Shares	% of total shares of the Company	% OF Shares pledged/encumbered to total shares	No of Shares	% of total shares of the Company	% OF Shares pledged/encumbered to total shares	% Change in shareholding during the year
Column1	Column2	Column3	Column4	Column5	Column6	Column7	Column8
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)
VINOD PARASRAM RAMNANI	34043581	14.05	0	34043581	14.05	0	0.00
THOMAS DIETIKER	13076150	5.40	0	13076150	5.40	0	0.00
JAYESH PATEL	11815983	4.88	0	11815983	4.88	0	0.00
USHA VINOD RAMNANI	9585176	3.96	0	9585176	3.96	0	0.00
TOTAL :	68520890	28.28	0	68520890	28.28	0.00	0.00

(III) CHANGE IN SHAREHOLDING OF PROMOTER

Shareholding at the beginning of the year			Cumulative shareholding during the year	
Name of the Shareholder	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
Column1	Column2	Column3	Column5	Column6
(i)	(ii)	(iii)	(iv)	(v)
VINOD RAMNANI	0	0	0	0
USHA VINOD RAMNANI	0	0	0	0
JAYESH C PATEL	0	0	0	0
THOMAS DIETIKER	0	0	0	0

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

Name of the Shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
Column1	Column2	Column3	Column5	Column6
(i)	(ii)	(iii)	(iv)	(v)
ANNA THOMAS CHACKO	4497608	1.86	4434608	1.83
EMERGING INDIA FOCUS FUNDS	9314707	3.84	4294822	1.77
PUSHPA BOSE	2788061	1.15	2778061	1.15
VALIVETI BHASKAR	2363407	0.98	2363407	0.98
GAUTAM GUMNANI	1982500	0.82	1982500	0.82
LIFE INSURANCE CORPORATION OF INDIA	1768636	0.73	1768636	0.73

OPTO CIRCUITS (INDIA) LIMITED

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

Name of the Shareholder	Shareholding at the beginning of the year		Cumulative shareholding during the year	
	No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
Column1	Column2	Column3	Column5	Column6
(i)	(ii)	(iii)	(iv)	(v)
VINOD RAMNANI	34043581	14.05	34043581	14.05
THOMAS DIETIKER	13076150	5.40	13076150	5.40
JAYESH PATEL	11815983	4.88	11815983	4.88
DR. SULEMAN ADAM MERCHANT	280160	0.12	280160	0.12
DR. ANVAY MULAY	4325	0.00	4325	0.00
MR. RAJKUMAR RAISINGHANI	93700	0.04	93700	0.04
MS. SUCHITRA MISRA	81	0.00	81	0.00
MR. SUNDAR V	0	0.00	0	0.00
MS. SUPRIYA KULKARNI	0	0.00	0	0.00

INDEBTEDNESS

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

₹ in Lakhs

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I. Principle Amount	78,851.32	3,639.09	-	82,490.41
II. Interest due but not paid	12,915.11	-	-	12,915.11
III. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	91,766.43	3,639.09	-	95,405.52
Change in Indebtedness during the financial year				
• Addition	829.85	412.74	-	1,242.59
• Reduction	(25,594.40)	(280.00)	-	(25,874.40)
Net Change	(24,764.55)	132.74	-	(24,631.81)
Indebtedness at the end of the financial year				
I. Principle Amount	56,731.40	3,771.83	-	60,503.23
II. Interest due but not paid	10,270.48	-	-	10,270.48
III. Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	67,001.88	3,771.83	-	70,773.71

OPTO CIRCUITS (INDIA) LIMITED

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

A. REMUNERATION OF MANAGING DIRECTOR

₹ in Lakhs

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

B. Remuneration to other directors:

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

OPTO CIRCUITS (INDIA) LIMITED

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

₹ in Lakhs

Particulars of remuneration	CFO	CS	Total Amount
1. Gross Salary	38.70	13.13	51.83
(a) Salary as per provisions contained in Section 17(1) of the Income- tax Act,1961			
(b) Value of perquisites u/s 17 (2) of the Income-tax Act,1961	-	-	-
(c) Profits in lieu of salary under Section 17 (3) Income Tax Act,1961	-	-	-
2. Stock option	-	-	-
3. Sweat equity	-	-	-
4. Commission as % of Profit	-	-	-
Other Specify	-	-	-
5. Others, please specify	-	-	-
Total	38.70	13.31	51.83

Penalties/ Punishment/ Compounding of offences:

There were no material penalties/ punishment/ compounding of offences for the year ended March 31, 2016.

REPORT ON CORPORATE GOVERNANCE

PHILOSOPHY ON THE CODE OF CORPORATE GOVERNANCE

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

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

BOARD OF DIRECTORS

Composition and provisions as to Board and Committees

As at March 31, 2016, the Board of Directors of our Company comprises 7 (Seven) Directors. Mr. Vinod Ramnani is the Chairman & Managing Director.

During the Financial Year 2015 -16, 8 (Eight) Board Meetings were held on:

Sl. No.	Date of Meeting	Sl. No.	Date of Meeting	Sl. No.	Date of Meeting
01	29/05/2015	02	14/08/2015	03	12/09/2015
04	14/11/2015	05	20/11/2015	06	03/12/2015
07	31/12/2015	08	15/02/2016		

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

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

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	08	03	04	Nil	Yes
Mr. Jayesh C Patel Promoter	03.04.2000	01	01	Nil	Nil	No
Mr. Thomas Dietiker Promoter	03.04.2000	02	Nil	Nil	Nil	No
Dr. Suleman Adam Merchant Independent	20.08.2001	01	01	03	02	No
Mr. Rajkumar Raisinghani Independent	31.12.2005	07	03	07	03	Yes
Dr. Anvay Mulay Independent	31.12.2005	06	03	04	01	No
Dr.Suchitra Misra Non Executive Director	31.03.2015	07	03	04	00	Yes

*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.

Appointment / Re-appointment

Induction.

On the recommendation of Nomination and Remuneration Committee. The Board appointed Mr. Somadas G C (holding DIN: 00678824) as Independent Director with effect from April 26, 2016. Member's support is sought in confirming the appointment of Mr. Somadas G C in the ensuing Annual General Meeting.

Pursuant to the provisions of the Companies Act, 2013 Mr.Thomas Dietiker (holding DIN : 01424625), retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment as Director.

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

Code of Conduct:

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

Committees of the Board

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

We have five sub-committees of the Board as at March 31, 2016.

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

AUDIT AND RISK MANAGEMENT COMMITTEE:

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

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

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

Note : Mr. Somadas G C, Independent Director, has been inducted as Member and designated as Chairman w.e.f April 26, 2016 and Mr. Rajkumar Raisinghani, continues to be a member of the Committee.

The Audit and Risk Management Committee has the following powers:

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

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

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - a. Matters required being included in the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section 3 of section 134 of the Companies Act, 2013.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.

- e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 6. Reviewing, with the management, the statement of used /application of funds raised through an issue (public issue, right issue, preferential issue, etc) the statement of funds utilized for purposes other than those stated in the offer documents/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take steps in this manner;
 7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
 8. Approval or any subsequent modification of transactions of the company with related parties;
 9. Scrutiny of inter-corporate loans and investments;
 10. Valuation of undertakings or assets of the Company, 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, and adequacy of the internal control systems;
 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
 14. Discussion with internal auditors of any significant findings and follow up there on;
 15. Reviewing the findings of any internal investigations by the internal auditors into matter where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
 16. Discussion with statutory auditors before the audit commences, about the nature of scope of audit as well as post-audit discussion to ascertain any area of concern;
 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO (i.e. the whole time Finance Director or any other person heading the finance function or discharging the function) after assessing the qualifications, experience and background etc., of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

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

(iii) [6] Six Audit and Risk Management Committee Meetings were held during the Financial Year 2015-16. The attendance is as follows:

Name	No. of Meetings Attended
Mr. Rajkumar Raisinghani	06
Dr. Anvay Mulay	06
Dr. Suchitra Misra	06

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

NOMINATION AND REMUNERATION COMMITTEE AND REMUNERATION TO DIRECTORS

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

Terms of Reference are as follows:

- (i) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board 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) Committee has been empowered to review / recommend remuneration of the Directors, key managerial personnel and other employees.

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

Name of the Member	Designation
Mr. Rajkumar Raisinghani Independent Director	Chairman
Dr. Suleman Adam Merchant Independent Director	Member
Dr. Suchitra Misra Non Executive Director	Member

[4] Four Nomination and Remuneration Committee meetings were held during the Financial Year 2015-16. The attendance is as follows:

Name	No of Meetings Attended
Mr. Rajkumar Raisinghani	04
Dr. Suleman Adam Merchant	01
Dr. Suchitra Misra	04

During the year under review, there were no changes in the composition of the Committee:

(iv) Remuneration Policy:

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

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

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) The notice period and the severance fee applicable to Mr. Vinod Ramnani, Chairman and Managing Director are as follows:

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

STAKEHOLDERS' RELATIONSHIP COMMITTEE:

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

Terms of Reference are as follows:

- (i) The Stakeholders Relationship Committee (erstwhile known as Shareholders and Investors Grievances Committee)

Amount in ₹

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

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:

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

During the year, two Meeting was held and the attendance was as follows:

Name of the Member	No of Meeting Attended
Dr. Suleman Adam Merchant	01
Mr. Rajkumar Raisinghani	02
Mr. Vinod Ramnani	02

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

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

(i) Terms of Reference are as follows:

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
- To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the company;
- To monitor the CSR Policy of the Company from time to time;
- Any other matter as the CSR Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

The Corporate Social Responsibility Committee consists of the following Directors:

Name of the Member	Designation
Mr. Rajkumar Raisinghani	Chairman
Mr. Vinod Ramnani	Member
Dr. Anvay Mulay	Member

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

Name of the Member	No.of Meetings Attended
Mr. Rajkumar Raisinghani	01
Mr. Vinod Ramnani	01
Dr. Anvay Mulay	01

FINANCE COMMITTEE

The Finance Committee consists of the following Directors:

Name of the Member	Designation
Mr. Vinod Ramnani	Chairman
Mr. Rajkumar Raisinghani	Member
Mr. Jayesh C Patel	Member

Terms of Reference are as follows:

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

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

During the year, six Meeting was held and the attendance was as follows:

Name of the Member	No of Meeting Attended
Mr. Vinod Ramnani	06
Mr. Rajkumar Raisinghani	06
Mr. Jayesh C Patel	00

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

(iii) During the financial year, the total numbers of complaints received from the Stakeholders were 30.

(iv) Number of Complaints replied / attended to the satisfaction of Stakeholders were 30.

(v) No requests for transfers and for dematerialization were pending for approval as on 31st March 2016.

GENERAL MEETINGS:

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

Financial Year	2012-13	2013-14	2014-15
Date, time and venue	30th September 2013 12.00 Noon Manipal County, No.65, Singasandra, Off Hosur Road, Bengaluru - 560 068	30th September 2014 12.00 Noon Manipal County, No.65, Singasandra, Off Hosur Road, Bengaluru - 560 068	31st December 2015 10.30 AM Opto Circuits (India) Limited No.83, Electronic City, Hosur Road Bengaluru - 560 100
Special Resolutions passed	Nil	(i) Approving the Borrowing powers of the Company. (ii) Approving the creation of security by way of mortgage, charge etc.,	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

DISCLOSURES:

- I. Basis of related party transaction: Your Company places details with respect to related party transactions before the Audit and Risk Management Committee periodically. No transaction of a material nature has been entered into by the Company with Directors or Management and their relatives etc. that may have a potential conflict with the interest of the Company.
As required under regulation 23 of Listing Regulations, the Company has adopted a policy on Related Party Transactions. The policy on Related Party Transactions is available on the Company's website at <http://www.optoindia.com/pdf/OCIL%20-%20Policy%20on%20Related%20Party%20Transaction.pdf>
Apart from receiving remuneration, none of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. During the Financial Year 2015-16, no transactions of material nature were entered into by the Company with the Management or their relatives that may have a potential conflict of interest with the Company and the concerned officials have given undertakings to that effect as per the provisions of the Listing Regulations.
- II. There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or Stock Exchanges does not arise.
- III. Whistle Blower Policy: The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The Company has a vigil mechanism and Whistle Blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct, to Chief Vigilance Officer and Audit and Risk Management Committee of the Board. The Company further confirms that no personal have been denied access to the Audit and Risk Management Committee.
- IV. All the mandatory requirements of Corporate Governance Clauses have been complied with by the Company and The Company has not adopted the other non-mandatory requirements as specified.
- V. Disclosure of accounting treatments: Your Company has followed all relevant accounting standards while preparing the financial statements.
- VI. Risk Management: The Company has laid down risk assessment and minimization procedures which are in line with the best practices in the industry and as per its experience and objectives. The risk management system is reviewed periodically and updated.
- VII. Disclosure of accounting treatments. Your Company has followed all relevant accounting standards while preparing the financial statements.
- VIII. Proceeds from public issues, rights issues and preferential issues etc., Proceeds from the follow on public issue made during 2006 have been fully utilized.
- IX. No significant material transaction has been made with the non-executive director's vis-à-vis the Company.
- X. No significant material transaction has been made with the non-executive director's vis-à-vis the Company.

- XI. The number of Shares held by the Directors as on 31st March, 2016 are as follows:

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

- (i) CEO/CFO certification

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

MEANS OF COMMUNICATION

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

GENERAL SHAREHOLDER INFORMATION

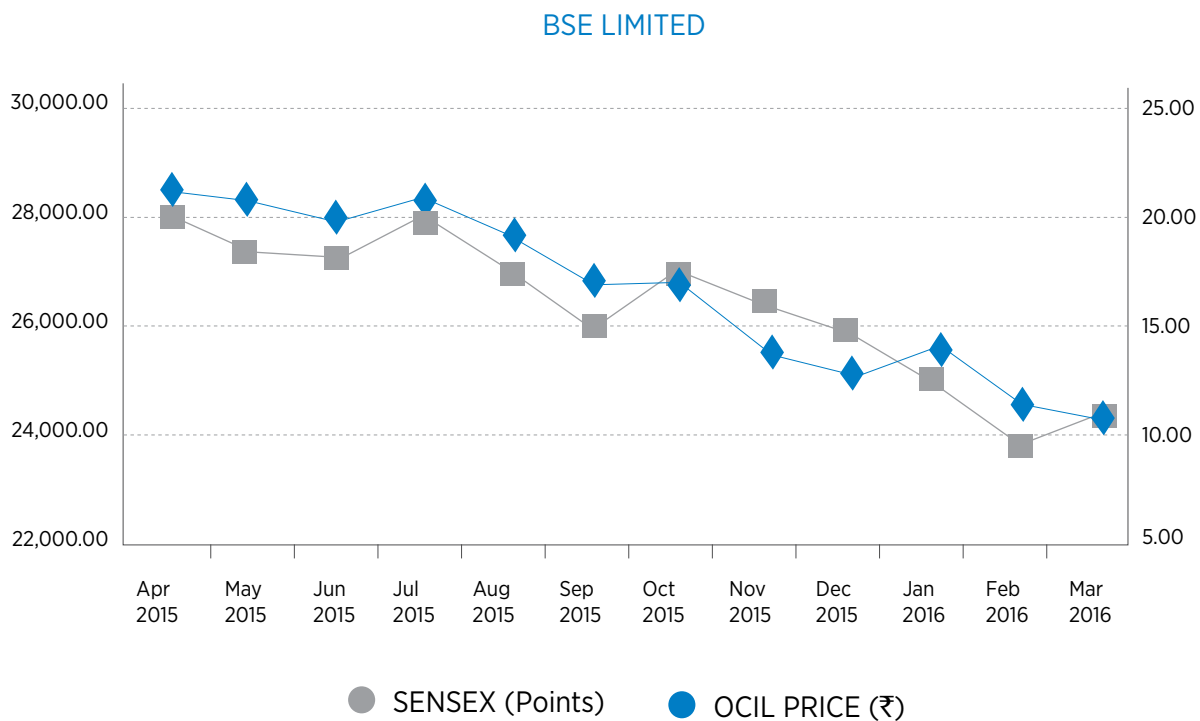
(i) Annual General Meeting	
Date & Time	Wednesday, September 07,2016 at 11:30 Am.
Venue	Plot No.83, Electronic City, Hosur Road, Bengaluru - 560 100.
(ii) Financial Calendar (Tentative)	
Results	Reporting
Quarter 30th June 2016	On or before 14th August 2016
Quarter 30th September 2016	On or before 14th November 2016
Quarter 31st December 2016	On or before 14th February 2017
Quarter 31st March 2017	On or before 30th May 2017
AGM for approval of the Audited accounts for the year ended 31st March 2016	On or before 30th September 2016
Financial year	1st April to 31st March
(iii) Details of Book Closure	September 05,2016 to September 07,2016 (both days inclusive).
(iv) Dividend payment	Nil
(v) Listing of Equity Shares on Stock Exchanges	BSE Limited Phiroze jeejeebhoy Towers, Dalal Street, Fort, MUMBAI - 400 001 National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), MUMBAI - 400 051
(vi) Stock Code	
a. Trading code/symbol	532391
Bombay Stock Exchange code	OPTOCIRCU
National Stock Exchange code	
b. Demat ISIN Number in NSDL and CDSL for equity shares	INE808B01016
c. Listing fee	Paid
(vii) CIN	L85110KA1992PLC013223

(vii) Stock Market Data:

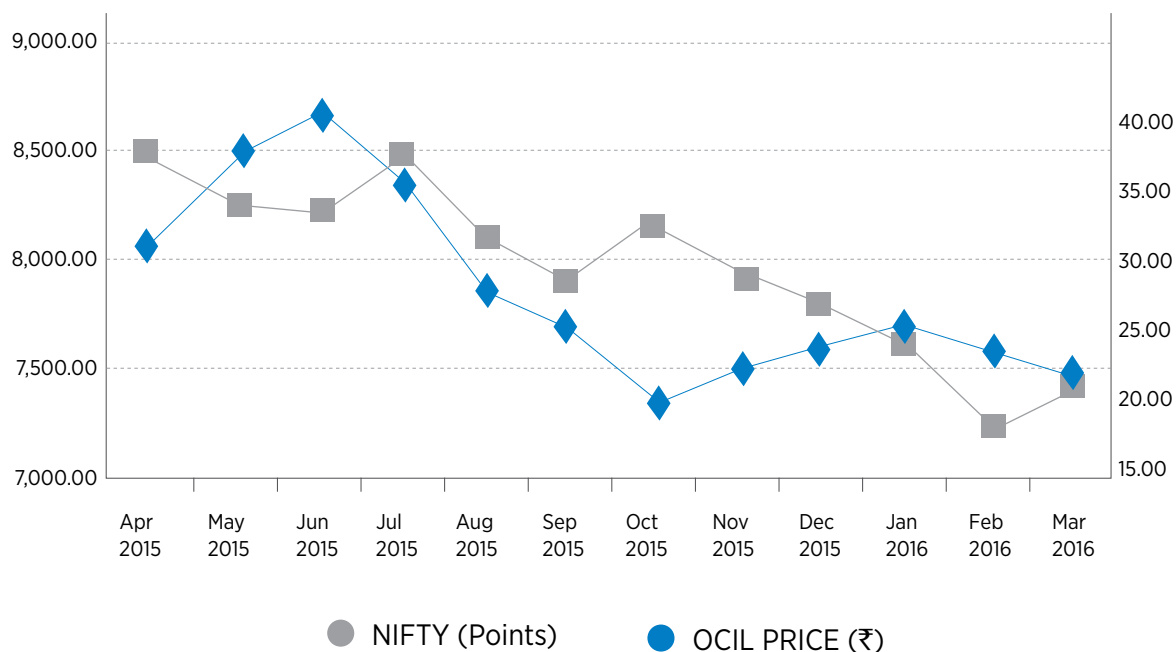
High and Low quotation at BSE Ltd and National Stock Exchange of India Ltd and number of shares traded:

Month	BSE prices			NSE prices		
	High	Low	Volume (No)	High	Low	Volume (No)
April 2015	23.30	18.70	37889	23.25	18.70	27047553
May 2015	22.50	19.35	29441	22.55	19.30	26475291
June 2015	22.20	17.55	26722	22.20	17.65	35573202
July 2015	22.45	19.80	24326	22.45	19.75	25848813
August 2015	22.80	15.65	22421	22.80	15.70	22688618
September 2015	17.90	15.70	8521	17.75	15.95	8283894
October 2015	18.75	14.80	19289	18.75	14.80	19125556
November 2015	15.35	11.08	22987	15.35	11.05	26654775
December 2015	13.39	10.89	31723	13.40	10.80	52097870
January 2016	16.84	11.42	81328	16.80	11.30	127660720
February 2016	13.18	8.12	26756	13.15	8.05	25318538
March 2016	11.58	9.25	19401	11.60	9.45	22507348

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



NATIONAL STOCK EXCHANGE OF INDIA LIMITED



(ix) Registrar & Transfer Agents

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

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

(x) Share Transfer System

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

(xi) Distribution of Shareholding as on 31st March 2016

Sl. No.	Category		No. of Shareholders	% of Shareholders	Amount in ₹	% of Shareholding
	From	To				
01.	01	500	67643	66.95	122,188,150	5.04
02.	501	1000	14359	14.21	118,902,320	4.91
03.	1001	2000	8684	8.60	136,226,950	5.62
04.	2001	3000	3267	3.23	84,276,930	3.48
05.	3001	4000	1631	1.61	59,081,560	2.44
06.	4001	5000	1466	1.45	70,172,360	2.90
07.	5001	10000	2127	2.11	160,289,050	6.61
08.	10001	Above	1857	1.84	1,672,056,750	69
	Total		101034	100	2,423,194,070	100

Categories of Shareholdings as on 31st March 2016

Sl. No.	Description of Holders	No. of Shareholders	No. of Shares	% of Equity
01	Banks	6	548279	0.23
02	Clearing Members	111	870443	0.36
03	Employees	5	2326	0.00
04	Foreign Institutional Investors	7	5314140	2.19
05	Foreign Nationals	1	39	0.00
06	Foreign promoters	1	13076150	5.40
07	Foreign Portfolio Investors	7	910040	0.38
08	Hindu Undivided Family	2426	5070956	2.09
09	Indian Financial Institutions	6	3895953	1.61
10	Indian Promoters	3	55397440	22.86
11	Bodies Corporate	1156	21214092	8.75
12	Mutual Funds	1	2540	0.00
13	NBFC	9	55040	0.02
14	Non Resident Indians	1792	19895775	8.21
15	Resident Individuals	95499	116053602	47.89
16	Trusts	4	12592	0.01
	Total	101034	242319407	100.00

XII. Dematerialization of Shares and Liquidity

As on 31st March 2016, 99.61% of the Company's total paid up capital, representing 241,368,415 Equity Shares, were held in dematerialized form and the balance 0.39%, representing 950,992 Equity Shares, were held in physical form.

Secretarial Audit:

As stipulated by the Securities and Exchange Board of India (SEBI), a qualified Practicing Company Secretary carries out the Secretarial Audit and provides a report to reconcile the total admitted capital with the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited. (CDSL) and the total issued and listed capital. This Secretarial Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors. The Secretarial Audit inter alia, confirms that the total 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 2016.

XIV. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

- Not Applicable.

XV. The Company's plats are located:

Plot No.83, Electronics City, Hosur Road, Bengaluru - 560 100.

Shed No.15, VSEZ Duuvada, SDF-1, Building, Vadlapudi Post, Vishakapatnam AP - 530 046.

XVI. Address for correspondence:

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

- Correspondence for shares held in physical form:
- Share transfer and communication regarding share certificate, dividends and change of address:
- For shares held in demat form to the depository participant.
- The company has designated investorservices@optoindia.com as the e-mail for the purpose of registering complaints by investors.
- Disclosures regarding suspense account shares issued pursuant to the public issues or any other issue which remains unclaimed and / or lying in the escrow account and any unclaimed benefits like dividend, bonus

shares, etc., which are to be credited to the demat suspense account. There were no shares in unclaimed and / or lying in the escrow account and hence transfer of benefits to suspense account does not arise.

For and on behalf of the Board

VINOD RAMNANI

Chairman and Managing Director

Place: Bengaluru

Date: July 29, 2016

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

The Board members and senior management have affirmed compliance with Company's code of conduct for the Financial Year ended March 31, 2016.

VINOD RAMNANI

Chairman and Managing Director

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE

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

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

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

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

Vijayakrishna K T

Practising Company Secretary

FCS-1788 & CP-980

Place: Bengaluru

Date: July 29,2016

AUDITOR'S REPORT

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

REPORT ON THE STANDALONE FINANCIAL STATEMENTS

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

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there under.

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

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

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

BASIS FOR QUALIFIED OPINION

We draw your attention:

- Regarding the trade receivables amounting to Rs.59,977.61 Lakhs (includes overseas dues Rs. 58,531.85 Lakhs more than 6 months), Trade Payables amounting to Rs.22,784.22 Lakhs (includes overseas payables Rs. 3,308.43 Lakhs more than 36 months), there is no confirmation of balances available supporting the outstanding receivables and payables. Although receivables of Rs.37,690.03 Lakhs and payables of Rs. 3,308.43 Lakhs over 36 months, the provisioning/write off of such debts and write back of liabilities could not be ascertained.
- The Company has borrowings from State Bank of India, HDFC Bank Ltd and Bank of Nova Scotia, for which no provision for interest aggregating to Rs.3,169.53 Lakhs is made in the financial statements as these Banks have been categorized borrowings as NPA.
- The Company holds investment in subsidiary Opto

Cardiac Care Limited amounting to Rs. 20,005.50 Lakhs and advances amounting to Rs. 50,943.13 Lakhs and has not been able to ascertain the impairment of investments and advances in this subsidiary due to hostile takeover of its step down subsidiary (Cardiac Science Corporation) and the resultant pending litigation before the US Bankruptcy Courts.

d) The company has the following short term borrowings from the banks as on the date of balance sheet:

Name of the bank	Facility	Amount (in Rs. crores)
Nova Scotia bank	Working capital	119.16
HDFC bank ltd	working capital	50.47
State Bank of India	working capital	179.51
Standard Chartered Bank	working capital	229.16
	TOTAL	578.30

Banks have classified these liabilities as irregular advances. Bank Nova Scotia and HDFC Bank Ltd have issued winding up notices dated 03/06/2014, and 24/11/2014 respectively for recovery of the above said outstanding dues and the bankers have filed winding up petition in the Hon'ble High Court of Karnataka against the company.

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

QUALIFIED OPINION

Subject to the above qualifications, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2016, and its loss and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL REGULATORY REQUIREMENT

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

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

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

(b) In our opinion, except for the indeterminate effects of

the matters described in the Basis for Qualified Opinion paragraph, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

(d) In our opinion, except for the indeterminate effects of the matters described in the Basis for Qualified Opinion paragraph, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i The Company has disclosed the of pending litigations as at 31 March 2016 on its financial position in its standalone financial statements – Refer Note No.5A(5.4) 5A(5.5), 7(b), 28B and 28D.

ii. The Company is not required to make provision as at 31 March 2016, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts since the Company did not have any derivative contracts as at 31 March 2016.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2016.

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

A. AMARANATH
Partner
Membership Number: 213629
Firm Registration Number: 009151S
Place: Bengaluru
Date: 14th June, 2016

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

The Annexure Referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
(b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.
(c) The title deeds of immovable properties, as disclosed in the fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory have been conducted at periodical intervals by the Management but not effectively conducted during the year. As certified by the management the discrepancies noticed on physical verification of inventory as compared to book records were not material. However we recommend the Management to conduct the physical verification of inventories on quarterly basis and maintain proper records commensurate to the nature and size of the business.
- iii. (a) Subject to the qualification in the audit report and as per the explanations given to us, the Company has granted unsecured loans to the parties listed in the register maintained under Section 189 of the Companies Act.
(b) In respect of the aforesaid the company has given loans and advances to its subsidiaries aggregating to Rs. 51,317.84 Lakhs for which no interest is collected from the loans granted to its subsidiaries during the year.
- (c) In respect of the aforesaid loans, there is no amount which is overdue for more than ninety days.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v. In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
- vi. We have broadly reviewed the records maintained by the Company pursuant to the rules prescribed by Central Government for maintenance of cost records under sub section 1 of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of provident fund, employees' state insurance, professional tax, duty of customs, sales tax though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including service tax, as applicable, with the appropriate authorities. According to the information and explanations given to us there were no statutory dues payable for more than six months except income tax given in note 7 as on 31.03.2016.
(b) According to the information and explanations given to us and the records of the Company examined by us. The particulars of dues of income tax as at 31 March 2016 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Name of dues	Amount (in Rs. crores)	Period to which it relates	Forum where dispute is pending
Income Tax Authority		0.07	A Y 2005-06	Paid subsequently
Income Tax Authority		0.20	A Y 2006-07	Paid subsequently
Income Tax Authority	Minimum Alternative Tax	3.65	A Y 2011-12	CIT (Appeals)
Income Tax Authority	Minimum Alternative Tax	1.00	A Y 2012-13	CIT (Appeals)
Income Tax Authority	Minimum Alternative Tax	95.86	A Y 2013-14	CIT (Appeals)
Income Tax Authority	Dividend Tax	17.57	A Y 2010-11	High Court writ appeal
Income Tax Authority	Dividend Tax	18.00	A Y 2011-12	High Court writ appeal
Income Tax Authority	Dividend Tax	13.80	A Y 2012-13	High Court writ appeal

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

Name of the bank	Facility	Amount (₹ in crores)
Nova Scotia bank	Working capital	119.16
HDFC bank ltd	Working capital	50.47
State Bank of India	Working capital	179.51
Standard Chartered Bank	Working capital	229.16
Total		578.30

ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans during the year under review. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.

x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS) 18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

FOR B. V. SWAMI & CO.,
Chartered Accountants

A. AMARANATH
Partner
Membership Number: 213629
Firm Registration Number: 009151S

Place: Bengaluru
Date: 14th June, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT - 31ST MARCH, 2016

(Referred to in our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

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

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit

evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial control system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future

periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

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

FOR B. V. SWAMI & CO.,
Chartered Accountants

A. AMARANATH
Partner
Membership Number: 213629
Firm Registration Number: 009151S

Place: Bengaluru
Date: 14th June, 2016

OPTO CIRCUITS (INDIA) LIMITED

BALANCE SHEET AS AT 31 MARCH 2016

Amount in ₹

Sl.No.	Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
I	EQUITY AND LIABILITIES			
1	Shareholder's Funds			
	(a) Share Capital	2	2,423,194,070	2,423,194,070
	(b) Reserves and Surplus	3	10,246,509,310	10,426,695,932
			12,669,703,380	12,849,890,002
2	Non-Current Liabilities			
	(a) Long-term borrowings	4	-	38,750,000
			-	38,750,000
3	Current Liabilities			
	(a) Short-term borrowings	5	6,478,934,136	8,690,716,129
	(b) Trade payables	6	2,278,421,802	1,177,783,643
	(c) Other current liabilities	7	1,144,482,385	1,475,620,478
	(d) Short-term provisions	8	12,525,134	9,376,968
			9,914,363,457	11,353,497,218
	Total		22,584,066,837	24,242,137,220
II	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	9	849,848,600	949,142,947
	(ii) Intangible assets under development		1,021,043,124	-
			1,870,891,724	949,142,947
2	(a) Non-current investments	10	3,816,646,423	3,816,646,423
	(b) Deferred tax assets (net)	11	594,527	3,499,718
			3,817,240,950	3,820,146,141
3	Current assets			
	(a) Inventories	12	2,809,868,095	3,416,515,862
	(b) Trade receivables	13	5,997,760,846	6,459,991,305
	(c) Cash and Cash Equivalents	14	27,604,615	17,574,553
	(d) Short-term loans and advances	15	8,059,979,155	9,577,976,108
	(e) Other current assets	16	721,452	790,303
			16,895,934,163	19,472,848,131
	Total		22,584,066,837	24,242,137,220
	Significant Accounting Policies	1		

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

For and on behalf of the Board of DirectorsVINOD RAMNANI
Chairman & Managing DirectorJAYESH PATEL
Director

Place: Bengaluru

Date: 14th June, 2016**As per our report of even date**FOR B V SWAMI & CO.
Chartered AccountantsA AMARANATH
PartnerMembership Number: 213629
Firm Registration Number: 009151S

STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31 MARCH 2016

Amount in ₹

Sl. No.	Particulars	Note No.	For the year ended on 31.03.2016	For the year ended on 31.03.2015
I.	Revenue from operations	17	766,714,585	1,461,432,372
II.	Other Income	18	35,873	(52,208,388)
III.	Total Revenue (I +II)		766,750,458	1,409,223,984
	Expenses:			
	Cost of materials consumed	19	265,730,998	638,688,124
	Changes in inventories of FG, WIP & Stock-in-Trade	20	14,479,137	3,135,311
	Employee benefit expense	21	97,796,134	100,696,431
	Finance costs	22	315,167,661	578,160,535
	Depreciation and amortization expenses	9	94,960,104	97,280,254
	Other expenses	23	154,145,519	185,691,462
IV	Total Expenses		942,279,553	1,603,652,117
V.	Profit before exceptional and extraordinary items and tax (III - IV)		(175,529,095)	(194,428,133)
VI.	Exceptional Items		-	1,814,000,200
VII.	Profit before extraordinary items and tax (V - VI)		(175,529,095)	(2,008,428,333)
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII - VIII)		(175,529,095)	(2,008,428,333)
X.	Tax expense:			
	(1) Current tax	24	1,752,334	4,879,928
	(2) Deferred tax		2,905,191	1,808,185
XI	Profit(Loss) for the period from continuing operations (VII-VIII)		(180,186,620)	(2,015,116,446)
XII.	Profit(Loss) for the period (IX-X)		(180,186,620)	(2,015,116,446)
XIII.	Earning per equity share:	25		
	(1) Basic		(0.74)	(8.32)
	(2) Diluted		(0.74)	(8.32)
	Significant Accounting Policies	1		

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

For and on behalf of the Board of Directors

VINOD RAMNANI
Chairman & Managing DirectorJAYESH PATEL
DirectorPlace: Bengaluru
Date: 14th June 2016

As per our report of even date

FOR B V SWAMI & CO.
Chartered AccountantsA AMARANATH
PartnerMembership Number: 213629
Firm Registration Number: 009151S

OPTO CIRCUITS (INDIA) LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2016

Amount in ₹

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
I. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	(175,529,095)	(2,008,428,332)
Adjustments from Non-Operating Items		
Amortisation and other non cash items	2,905,191	1,808,185
Depreciation	94,960,104	97,280,254
Interest paid on borrowings	315,167,661	578,160,534
Profit / (Loss) on sale of Fixed Asset	17,952,289	(78,817)
	255,456,150	(1,331,258,176)
Adjustments for Working Capital		
(Increase)/Decrease in Inventories	606,647,767	972,160,168
(Increase)/Decrease in loans & advances	1,518,065,805	131,430,478
(Increase)/Decrease in Sundry Debtors	462,230,459	(309,928,186)
(Increase)/Decrease in Current Liabilities	772,648,232	1,101,117,356
Cash operating profit/ (loss) before income tax	3,615,048,413	563,521,640
Income Tax	(4,657,525)	(6,688,113)
Net Cash Flow from Operations	3,610,390,888	556,833,527
II CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from Sale of Fixed Assets	(13,328,828)	2,071,281
Total inflow of cash from investments	(13,328,828)	2,071,281
(Purchase)/Sale of Fixed Assets	(1,021,332,345)	(1,644,671)
Net Cash Flow from investing activities	(1,034,661,173)	426,610
III CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long term borrowings-Net		
Proceeds/(Repayment) of Secured Loans	(2,263,806,372)	42,261,691
Proceeds/(Repayment) of UnSecured Loans	13,274,381	(26,868,564)
Inflow of Cash	(2,250,531,991)	15,393,127
Interest paid on borrowings	(315,167,661)	(578,160,534)
Net cash flow from financing activities	(2,565,699,652)	(562,767,407)
Total Increase in cash & cash equivalents during the year	10,030,063	(5,507,270)
Cash & cash equivalents at the beginning of the year	17,574,552	23,081,823
Cash & cash equivalents at the end of the year	27,604,615	17,574,552

For and on behalf of the Board of Directors

As per our report of even date

VINOD RAMNANI
Chairman & Managing DirectorFOR B V SWAMI & CO.
Chartered AccountantsJAYESH PATEL
DirectorA AMARANATH
Partner

Place: Bengaluru

Membership Number: 213629

Date: 14th June, 2016

Firm Registration Number: 009151S

NOTE - 1 SIGNIFICANT ACCOUNTING POLICIES

1. SYSTEM OF ACCOUNTING

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

2. REVENUE RECOGNITION

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

3. FIXED ASSETS

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

4. DEPRECIATION AND AMORTIZATION

Depreciation is provided on a pro-rata basis on the straight line method over the useful lives as prescribed under Schedule II to the Companies Act, 2013.

Accordingly, in respect of fixed assets acquired during the year, depreciation / amortization is charged on a straight line basis so as to write off the cost of the assets over the useful lives. Intangible assets are amortized 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.

5. INVENTORIES

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

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

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: 14th June, 2016

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

A AMARANATH
Partner

Membership Number: 213629
Firm Registration Number: 009151S

NOTE 2 – SHARE CAPITAL

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
	No of shares	No of shares
Authorised:		
375,000,000 equity shares of ₹ 10 each (PY 375,000,000 Equity shares of ₹ 10/- each)	3,750,000,000	3,750,000,000
	3,750,000,000	3,750,000,000
Issued:		
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
	2,425,813,070	2,425,813,070
Subscribed and Paid up:		
242,319,407 Equity Shares of ₹ 10/- Each fully paid up PY.(242,319,407 Equity Shares of Rs 10/- each)	2,423,194,070	2,423,194,070
Total	2,423,194,070	2,423,194,070

NOTE 2A

Particulars	As at March 31, 2016	As at March 31, 2015
	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
Add: Bonus Shares issued during the reporting period	-	-
No of shares outstanding at the end of the year	242,319,407	242,319,407

OPTO CIRCUITS (INDIA) LIMITED

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

Particulars	As on 31.03.2016		As on 31.03.2015	
	No. of shares held	% of Holding	No. of shares held	% of Holding
Equity Shares:				
(1) Vinod Parasram Ramnani	34,043,581	14.05%	34,043,581	14.05%
(2) HSBC Global Investment Funds A/c HSBC Global Investment Funds	-	-	16,592,408	6.85%
(3) Thomas Dietiker	13,076,150	5.40%	13,076,150	5.40%
	As on 31.03.2016		As on 31.03.2015	
	No. of shares		No. of shares	
Equity Shares allotted as fully paid bonus shares during the last five years	55,919,863		56,486,863	

NOTES:

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

During the year ended 31st March 2016, the amount of share dividend recognised distributed to equity shareholders was ₹ NIL (31st March 2015: ₹ 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, 2016	As at March 31, 2015
Securities Premium Account		
As per last Balance sheet	4,117,137,076	4,117,137,076
	4,117,137,076	4,117,137,076
General Reserve:		
As per last Balance Sheet	1,168,894,869	1,266,987,752
Less: Transfer from Profit & Loss Account	-	(98,092,883)
	1,168,894,869	1,168,894,869
Surplus:		
As per last Balance Sheet	5,140,663,985	7,155,780,432
Add: Profit/(Loss) for the period	(180,186,620)	(2,015,116,445)
	4,960,477,365	5,140,663,987
Total	10,246,509,310	10,426,695,932

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

Particulars	Paid in Current year		Paid in Previous year	
	2015-16		2014-15	
Amount Remitted	NIL		NIL	
Dividend Related to financial year	2014-15		2013-14	
Number of non-resident shareholders	NIL		NIL	
Number of shares	NIL		NIL	

NOTE 4 - LONG TERM BORROWINGS

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Term Loans		
- from banks		
Secured	-	38,750,000
Unsecured	-	-
Total	-	38,750,000

NOTE 4A - DETAILS OF REPAYMENT OF TERM LOANS

Nature of Facility	Lendor	Amount (₹)
Term Loan from Bank on Specific Fixed Assets	HDFC Bank Limited	NIL

Notes:-

1) During January 2014, the company has borrowed INR 775.00 Lakhs 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 Lakhs each. The first installment is slated for April 2015 and the final installment is on January 2017.

2) The entire amount of debt INR 775.00 Lakhs borrowed from HDFC Bank is over due and as such categorised under other current liabilities

NOTE 5 - SHORT TERM BORROWINGS

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Loans repayable on demand		
- from Banks		
Secured	6,101,750,842	8,326,807,216
	6,101,750,842	8,326,807,216
- from other parties		
Unsecured	377,183,294	363,908,913
	377,183,294	363,908,913
Total	6,478,934,136	8,690,716,129

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) The Company along with its stepdown subsidiary (Cardiac Science Corporation) had borrowed funds from DBS Bank Limited. In the year 2014-15 the said loan was restrctured and as a part of the said process Rs. 12,678.41 Lakhs borrowed by the company was also restrcutred. As per the terms of the agreement with DBS Bank Limited, upon default by stepdwon subsidairy (Cardiac Science Corporation), the bank exercised their right and assigned the debts to a third party and also exercised proxy voting rights to take managment control of company. As result of this the loan borrowed by the compnay to the tune of Rs. 12,678.41 Lakhs stands extinguished.
- 5.1.C) Company has working capital facilities with Indusind Bank Limited. These facilities are repayable on demand, secured by pari-passu charge on Stocks and Book Debts of the Company.
- 5.1.D) Company has working capital facilities with Standard Chartered Bank by hypothecation of the whole of the present and future stocks of raw materials, work in process and finished goods, book debts, outstanding monies, receivables, claims, bills, etc belonging to the company by way of paripassu charge. The company has also given the additional security of immovable property of its step down subsidiary M/s. Altron Hotels Private Limited comprising of all that piece and parcel of land measuring 0.90 Acres (3682.61 Smts) bearing V.P Khata No. 309, from out of land bearing Plot No. 24, Sy.No.14 of Konapaana Agrahara, Begur Hobli, Bangalore South Taluk 560100 together with buildings and structures standing thereon with all easement right, common right ingress and egress thereon.
- 5.1.E) Company has working facilities with Yes Bank Limited by hypothecation of Pari Passu charge on Current Assets of the borrower to cover loan amount plus costs, expenses, interest and other incidentals. Hypothecation of the whole of the Current Assets of raw material, semi finished & finished goods, stores and spares including consumable stores and spares relating to plant and machinery and other movables both present and future stored at Plot No.83, Electronics city, Bangalore South or wherever else in India and bills receivables and Book debts belonging to the Company.
- 5.1.F) Company has working capital facilities with The Bank of Nova Scotia by hypothecation of the whole of the present and future stocks of raw materials, work in process and finished goods, book debts, outstanding monies, receivables, claims, bills, etc belonging to the company by way of paripassu charge. The company has also given the security of immovable property of its Subsidiary Opto Infrastructure Limited comprising on all that piece and parcel of land known as Plot No's 2A1, 2A2, 2A3, 2A3(P3), 2B1, 2B2, 2C1, 2C2, 3,4,5,6,7,8,9 and 10 in survey numbers in the Hassan Sector Specific Hard Ware Zone Industrial area within the limits of villages Doddabasavanahalli and Chikkabasavanahalli, Shantigramma Hobli, Hassan Taluk, Hassan dist. measuring an total extent of 250 acres.
- 5.2) The total short term secured borrowings of ₹ 61,017.51 Lakhs includes Cash credit facility of ₹ 17,951.30 Lakhs with interest rate in the range of 10% p.a to 13% p.a, Preshipment Credit in Foreign Currency and bill discounting/Postshipment credit in Foreign currency facility/Overdraft and Indian rupee loan of Rs.43,066.21 Lakhs with interest rate of 8 to19.5%.
- 5.3) The short term interest free unsecured loans of ₹ 1,953.45 Lakhs is from the Directors of the Company, Rs.1,818.38 Lakhs from the Related Parties.
- 5.4) Scotia bank has issued winding up notice dated 6th March 2014 for recovery of outstanding dues of ₹ 11,915.92 Lakhs as on 31st March 2015. The Managment is making efforts to negotiate and settle with said bank for Settlement.
- 5.5) State Bank of India has issued a notice under SARFAESI Act for recovery of its dues from the company and filled petition before the debt recovery tribunal, Karnataka and also proceeded for auction of company's property situated at plot No 83, Electronics city Phase 1 hosur road, Bangalore. The auction did not take place. The company is negotiating with the bank for a settlement.
- 5.6) State Bank India, The bank of Nova Scotia, Hdfc Bank Limited have suspended charging the interest as the loans are categorised as NPA. The company has not recognised the interest on these borrowings.

NOTE 6 - TRADE PAYABLES

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Trade Payables	2,139,814,859	933,058,243
Sundry Creditors for Subsidiaries	138,606,943	244,725,400
Total	2,278,421,802	1,177,783,643

The Company along with its stepdown subsidiary (Cardiac Science Corporation) had borrowed funds from DBS Bank Limited. In the year 2014-15 the said loan was restructured. As per the terms of the agreement with DBS Bank Limited, the bank exercised their right and assigned the debts to a third party and also exercised proxy voting rights to take management control of company. As result of this the interest payable to DBS Bank to the tune of Rs. 3,317.62 Lakhs stands extinguished.

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 2013 where the outstanding amount payable to them beyond 45 days are as under:

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
The total amount due to such enterprises beyond 45 days	4,740,345	3,687,371

There is no interest payments for such delayed payments

NOTE 7 - OTHER CURRENT LIABILITIES

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Current maturities of long-term debt	77,500,000	136,900,602
Advance received from Customers	28,176,986	12,213,487
Inter Corporate Deposit received from Subsidiaries	529,482,495	813,058,642
Inter Corporate Deposit received from others	9,472,195	9,472,195
Provision for Dividend & Dividend Tax	490,765,909	490,765,909
Sundry Creditors for Capital goods	591,723	636,514
Unclaimed Dividends	2,915,244	6,608,200
Statutory Dues Payable	5,577,833	5,964,929
Total	1,144,482,385	1,475,620,478

- a) The entire amount of debt INR 775.00 Lakhs borrowed from HDFC Bank is due for payable and as such categorised under other current liabilities
- b) 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.
- c) There are no amounts due for payment to the Investor Education and Protection Fund under 125 (2) (c) of the Companies Act, 2013.

NOTE 8 - SHORT-TERM PROVISIONS

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Tax provision	1,752,334	-
Provision for Leave Encashment	8,788,809	7,996,832
Provision for Gratuity	1,983,991	1,380,136
Total	12,525,134	9,376,968

The company has made arrangements with LIC of India for payment of gratuity. The above amount represents the installment payable as on 31st March 2016.

OPTO CIRCUITS (INDIA) LIMITED
NOTE 9 - FIXED ASSETS

Amount in ₹

Particulars	Cost			Depreciation/Amortization/Diminution					Net Block			
	As at 31-Mar-2015	Additions during the year	Deductions during the year	As at 31-Mar-16	Upto 31-Mar-2015	Adjusted in Reserves	Total as on 01-Apr-15	For the year	On Deductions*	Upto 31-Mar-16	As at 31-Mar-16	As at 31-Mar-15
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE ASSETS												
Land	23,853,684			23,853,684	-		-			-	23,853,684	23,853,684
Bore Well	73,655			73,655	-		-			-	73,655	73,655
Office Building	4,347,218			4,347,218	3,494,160		3,494,160	108,599		3,602,759	744,459	853,058
Building	29,138,619			29,138,619	14,741,575		14,741,575	2,950,460		17,692,035	11,446,584	14,397,044
Apartment	12,685,605		(7,506,280)	5,179,325	4,860,007		4,860,007	423,699	(2,882,819)	2,400,887	2,778,438	7,825,598
GH Furniture & Fittings	657,328			657,328	451,390		451,390	50,147		501,537	155,791	205,938
Plant & Machinery	183,835,937	196,443		184,032,380	109,250,218		109,250,218	13,235,857		122,486,075	61,546,305	74,585,720
Furnitures & fittings	20,628,756			20,628,756	13,198,719		13,198,719	1,225,209		14,423,928	6,204,828	8,084,942
Computers	12,968,333	92,778		13,061,111	12,333,522		12,333,522	578,363		12,911,885	149,226	634,811
Office Equipments	8,701,768			8,701,768	5,473,209		5,473,209	1,343,873		6,817,082	1,884,686	3,228,559
Electrical Installations	11,812,082			11,812,082	8,359,443		8,359,443	991,447		9,350,890	2,461,192	2,797,734
Vehicles	28,161,158			28,161,158	27,243,907		27,243,907	643,804		27,887,711	273,447	917,251
Computers	88,000			88,000	88,000		88,000	-		88,000	-	-
Furnitures & fittings	233,562			233,562	233,562		233,562	-		233,562	-	-
Plant & Machinery	1,086,959,579			1,086,959,579	279,892,872		279,892,872	72,464,009		352,356,881	734,602,698	807,066,707
Furnitures & fittings	7,501,956			7,501,956	3,791,339		3,791,339	750,195		4,541,534	2,960,422	3,710,617
Computers	49,468,939			49,468,939	49,468,939		49,468,939	-		49,468,939	-	-
Office Equipments	227,723			227,723	187,944		187,944	25,110		213,054	14,669	39,779
Electrical Installations	1,652,605			1,652,605	803,559		803,559	165,261		968,820	683,785	849,046
Vehicles	40,710			40,710	21,905		21,905	4,071		25,976	14,734	18,805
Total	1,483,037,217	289,221	(7,506,280)	1,475,820,157	533,894,269		533,894,269	94,960,104	(2,882,819)	625,971,554	849,848,600	949,142,947
Previous year	1,502,296,161	1,644,671	(20,903,616)	1,483,037,217	357,432,286		357,432,286	97,280,254	(18,911,152)	533,894,269	949,142,947	1,131,980,796
INTANGIBLE ASSETS												
Product Development	-	1,021,043,124		1,021,043,124	-		-	-		-	1,021,043,124	-
Computer Software	35,017,228			35,017,228	35,017,228		35,017,228	-		35,017,228	-	-
Total	35,017,228	1,021,043,124		1,056,060,352	35,017,228		35,017,228			35,017,228	1,021,043,124	-
Previous year	35,017,228			35,017,228	35,017,228		35,017,228			35,017,228	-	-

Internally Generated Intangible Assets

Product development costs incurred on new products are recognised as intangible assets, the Company has committed technical, financial and other resources to complete the development and it is probable that the asset will generate probable future economic benefits. The costs capitalised include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use. Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment loss.

NOTE 10 - NON CURRENT INVESTMENTS

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Non CURRENT INVESTMENTS Unquoted		
(Trade/Non-trade)		
Investments in Equity Shares (Quoted)		
Advanced Micronic Devices Limited 31,53,163 E.shares of Rs 10.00 fully paid (aggregate cost of quoted investment Rs 52,461,25 Market value Rs 23,491,064 as on 31.03.2016 or as on last quoted date)	52,461,254	52,461,254
Investments in Equity Shares (Unquoted)		
Medi Aid Inc.,	445,549,475	445,549,475
Opto Eurocor Healthcare Limited	644,497,714	644,497,714
Devon Innovations	31,250,000	31,250,000
Ormed Medical Tech	8,501,430	8,501,430
Opto Infrastructure Limited	187,536,500	187,536,500
Opto Circuits (Malaysia) SDN BHD	446,300,000	446,300,000
Opto Cardiac Care Limited	2,000,550,050	2,000,550,050
Total	3,816,646,423	3,816,646,423

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

Amount in ₹

Nature of timing difference	As at March 31, 2016	As at March 31, 2015
Provision for Depreciation	594,527	3,499,718
Deferred tax asset/(liability) net:	594,527	3,499,718

NOTE 11-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 March 31, 2016	As at March 31, 2015
(At lower of cost and net realisable value)		
Raw materials	1,920,368,828	2,512,537,458
Work - in - Progress	889,499,267	903,978,404
Total	2,809,868,095	3,416,515,862

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NOTE 13 - TRADE RECEIVABLES

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
(Unsecured, considered good unless otherwise stated)		
1) Debts due for a period exceeding six months		
Considered Good	5,854,677,136	5,818,535,027
Considered Doubtful	-	-
	5,854,677,136	5,818,535,027
2) Other Debts:		
Considered Good	143,083,710	641,456,278
Considered Doubtful	-	-
	143,083,710	641,456,278
Total	5,997,760,846	6,459,991,305

NOTE 14 - CASH AND CASH EQUIVALENTS

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Balances with banks in -		
Current Account	27,103,399	17,125,585
	27,103,399	17,125,585
Cash on hand	501,216	448,968
Total	27,604,615	17,574,553

NOTE 15 - SHORT TERM LOANS AND ADVANCES

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
(Unsecured, considered good unless otherwise stated)		
Loans and Advances to related parties (giving details thereof)		
Advances to Suppliers & Services - Subsidiaries	2,329,458,820	838,511,721
Advances for Supply of Capital Goods - Subsidiaries	-	59,360,319
Inter corporate Deposits - Subsidiaries	5,131,783,607	6,610,347,497
	7,461,242,427	7,508,219,537
Others		
Advances to Suppliers & Services - Others	180,499,973	1,646,565,334
Advances for Supply of Capital Goods - Others	1,625,370	6,043,171
Other Advances & Deposits	15,290,902	16,053,342
	197,416,245	1,668,661,847
Taxes paid in advance	401,320,483	401,094,725
Total	8,059,979,155	9,577,976,108

NOTE 16 - OTHER CURRENT ASSETS

Amount in ₹

Particulars	As at March 31, 2016	As at March 31, 2015
Prepaid Expenses	721,452	790,303
Total	721,452	790,303

NOTE 17 - REVENUE FROM OPERATIONS

Amount in ₹

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Sale of products	766,714,585	1,461,432,372
Total	766,714,585	1,461,432,372

NOTE 18 - OTHER INCOME

Amount in ₹

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Net gain on foreign currency transaction and translation	35,873	(52,208,388)
Total	35,873	(52,208,388)

NOTE 19 - COST OF MATERIALS CONSUMED

Amount in ₹

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Opening Stock	2,512,537,458	3,481,562,315
Add: Purchase	2,700,989,962	1,483,663,468
Less: Closing Stock	1,920,368,828	2,512,537,458
Less: Stock Transferred to Subsidiary	2,003,083,469	-
Less: R&D Product Development Expenses	1,024,344,125	-
Total	265,730,998	2,452,688,325

Note: For the year ended 31 March 2015 due to the impact of cyclonic flood HUD HUD in october 2014 at vishakapatanam SEZ plant, an amount of Rs 18,140.00 lakhs was assessed and the loss of stock/inventories is indicated under exceptional items.

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

Amount in ₹

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Inventories at the end of the year:		
Work-in-progress	889,499,267	903,978,404
	889,499,267	903,978,404
Inventories at the beginning of the year:		
Work-in-progress	903,978,404	907,113,715
	903,978,404	907,113,715
Net (increase) / decrease	14,479,137	3,135,311

NOTE 21 - EMPLOYEE BENEFIT EXPENSES

Amount in ₹

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Salaries and wages	83,580,780	85,232,667
Contribution to provident and other funds	5,781,554	5,662,042
Staff welfare expenses	8,433,800	9,801,722
Total	97,796,134	100,696,431

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NOTE 22 - FINANCE COSTS

Amount in ₹

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Interest expense	312,246,343	539,394,011
Other borrowing costs	89,320	19,668,281
Bank Charges	2,831,998	19,098,243
Total	315,167,661	578,160,535

NOTE 22A - FINANCE COST

State Bank of India, The Bank of Nova Scotia, HDFC Bank Limited have suspended charging the interest as the loans are categorised as NPA. The company has not recognised the interest aggregating to Rs.3,169.53 Lakhs on these borrowings.

NOTE 23 - OTHER EXPENSES

Amount in ₹

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
MANUFACTURING AND OPERATING COST		
Insurance	3,186,547	3,267,680
Labour Charges & Job Work	16,367,879	17,198,854
Power & Fuel	7,344,640	11,050,150
R&D, Product Development Expenses	37,608,363	61,849,055
Repairs & Maintenance - Building	9,027	95,780
Repairs & Maintenance - Electricals & Others	599,215	2,420,167
Repairs & Maintenance - Plant & Machinery	146,764	2,278,468
Tooling Charges	121,680	522,974
Total A	65,384,115	98,683,128
ADMINISTRATIVE EXPENSES:		
Share Transfer charges	232,432	229,212
Advertisement & Trade Shows	433,772	1,678,495
Directors Remuneration	7,870,536	7,870,536
Electricity & Water Charges	2,969,550	2,919,898
General Expenses	4,070,735	7,451,035
Sundry Advances Written off	28,355,902	-
Membership, Books & Periodicals	56,409	88,465
Miscellaneous expenses	1,700,000	11,400,000
Net loss on sale of assets	-	(78,817)
Office Maintenance	2,039,031	1,873,096
Postage, Telephone & Fax Charges	2,699,104	5,018,278
Printing & Stationery	4,943,231	6,807,686
Prior period items	613,948	18,241
Professional Consultancy Charges	13,061,065	12,384,678
Rates & Taxes	1,526,715	5,304,554
Rent	1,282,861	2,214,693
Travelling & Conveyance	2,778,448	5,334,148
Total B	74,633,739	70,514,198
SELLING EXPENSES:		
Business Promotion Expenses	400,421	329,161
Clearing Charges	4,114,307	5,050,106
Freight & Handling Charges	7,485,164	8,235,808
Packing Materials	2,127,773	2,879,061
Total C	14,127,665	16,494,136
Total (A+B+C)	154,145,519	185,691,462

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

Amount in ₹

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
Professional fees	238,731	14,607
Fax & Telephone	13,759	3,634
Postage	60,367	-
Freight & Handling charges	84,684	-
Interest	216,407	-
Total	613,948	18,241

NOTE 23B - MISCELLANEOUS EXPENSES INCLUDE PAYMENT TO AUDITORS

Amount in ₹

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
Audit fees	1,700,000	8,550,000
Tax Audit fees	-	2,850,000
Total	1,700,000	11,400,000

NOTE 24 -PROVISION FOR TAXATION

Amount in ₹

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
Current Tax	1,752,334	4,879,928
Deferred Tax	2,905,191	1,808,185
Total	4,657,525	6,688,113

NOTE 25- EARNINGS PER SHARE

Amount in ₹

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
Profit after tax	(180,186,620)	(2,015,116,446)
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 Share	(0.74)	(8.32)

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

Particulars	Amount in Foreign Currency		Equivalent amount in ₹	
	Current Year	Previous Year	Current Year	Previous Year
Sundry Creditors				
US\$	25,452,744	6,629,891	1,688,354,322	414,970,170
Euro	14,751	1,495	1,107,734	100,928
Loans and Advances received US\$	1,335,273	6,124,502	88,572,530	383,337,484
Bank Borrowings US\$	5,541,327	32,551,511	367,572,293	2,037,425,143
Sundry Debtors US\$	90,396,597	103,186,073	5,996,268,418	6,458,498,878
Loans and Advances Paid				
US\$	11,188,447	37,250,110	742,162,136	2,331,514,157
Euro	255,597	50,100	19,194,185	3,382,271

27 SEGMENT INFORMATION : 27A PRIMARY SEGMENTS - BUSINESS SEGMENTS

Amount in ₹

Particulars	Sensors		Monitors		Others		Total Amount	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
A SEGMENT REVENUE								
Sales Revenue	325,043,109	506,304,434	297,978,929	869,775,154	143,692,548	85,352,784	766,714,585	1,461,432,372
Other Income							35,873	(52,208,388)
B SEGMENT RESULTS								
Profit/(Loss) after considering other income and before interest and tax)	109,776,626	182,839,012	100,636,255	314,097,250	48,529,203	30,822,994	258,942,084	527,759,257
Interest expenses and other borrowing cost							315,167,661	578,160,534
Other Un-allocable Expenditure							119,303,518	144,026,855
Profit before tax	109,776,626	182,839,012	100,636,255	314,097,250	48,529,203	30,822,994	(175,529,095)	(194,428,132)
C SEGMENT ASSETS								
UNALLOCATED CORPORATE ASSETS								
Total Assets	4,527,081,684	3,750,481,210	4,150,141,666	6,442,912,910	2,001,297,315	632,255,994	11,905,546,172	10,825,650,114
	4,527,081,684	3,750,481,210	4,150,141,666	6,442,912,910	2,001,297,315	632,255,994	22,584,066,837	24,242,137,220
D SEGMENT LIABILITIES								
Unallocated Corporate liabilities	978,116,748	412,487,848	896,675,464	708,608,610	432,398,299	69,537,187	2,307,190,511	1,190,633,645
E SEGMENT CAPITAL EXPENDITURE								
Segment fixed assets	122,613	569,786	112,404	978,830	54,204	96,055	289,221	1,644,671
F DEPRECIATION / AMORTISATION								
	40,257,650	33,702,157	36,905,663	57,896,588	17,796,791	5,681,509	94,960,104	97,280,254

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27B SECONDARY SEGMENTS - GEOGRAPHICAL SEGMENTS

Amount in ₹

Particulars	Current Year	Previous Year
	₹	₹
i) Sales Revenue by Geographical Location of Customers (Net of Excise Duty)		
Within India	3,916,622	3,734,260
Outside India	762,797,963	1,457,698,112
ii) Carrying Amount of Segment Assets		
Within India	22,584,066,837	24,242,137,220
Outside India		
iii) Capital Expenditure		
Within India	289,221	1,644,671
Outside India	-	-
iv) Sales Revenue by Geographical Market		
Asia	256,615,606	910,426,129
America	226,392,296	528,805,288
Europe	283,706,683	22,200,955

NOTE 27C – BUSINESS SEGMENT INFORMATION

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

- Sensors
- Monitors
- Others

NOTE 27D – 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 28A- CONTINGENT LIABILITY

Particulars	As at 31st March, 2016	As at 31st March, 2015
Guarantees		
Corporate Guarantee has been given to Opto Cardiac Care Limited (Company holding 100% of shares)	610,000,000	610,000,000
Corporate Guarantee has been given to Eurocor GmbH on behalf of Opto Eurocor Health Care Limited (Company holding 96.85% of shares)	1,350,000,000	600,998,000
Corporate Guarantee has been Given to Eurocor Asia Sdn Bhd on behalf of Opto Eurocor Health Care Limited (Company holding 96.85% of shares)	1,338,269,840	1,338,269,840
Corporate Guarantee has been given to Opto Cardiac Care Limited (Company holding 100% of shares)	1,514,697,360	1,514,697,360

NOTE 28B

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	684,769,697	475,494,403
INTEREST	273,865,853	45,728,656

The company has paid a sum of Rs 5,111.84 Lakhs for the assessment year 2012- 2013.

NOTE 28C: DIVIDEND DISTRIBUTION TAX

Amount in ₹

ASSESSMENT YEAR	Dividend Distribution Tax	INTEREST AMOUNT	TOTAL
2010-11	124,590,035	51,081,914	175,671,949
2011-12	139,313,855	40,459,018	179,972,873
2012-13	117,930,798	20,048,236	137,979,034
TOTAL	381,834,688	111,589,168	493,623,856

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

NOTE 28D

The income tax department has raised a demand for tax of 14.16 Lakhs for the AY 2004-05 for which the company has preferred an appeal before the Commissioner of Income Tax (Appeal) III. Pending disposal of this, the company has not provided liability for income Tax.

NOTE 29A - VALUE OF IMPORTED AND INDIGENOUS RAW MATERIALS, SPARE PARTS AND COMPONENTS CONSUMED

Amount in ₹

	For the year ended on 31.03.2016		For the year ended on 31.03.2015	
	Value (₹)	Percentage (%)	Value (₹)	Percentage (%)
Imported	261,479,302	98.40%	620,883,280	97.21%
Indigenously obtained	4,251,696	1.60%	17,804,844	2.79%
Total	265,730,998	100%	638,688,124	100%

NOTE 29B - CIF VALUE OF IMPORTS

Amount in ₹

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
Raw materials	686,735,054	1,059,737,245
Components and Spare Parts	3,995,841	67,452
Total	690,730,895	1,059,804,697

NOTE 29C - EXPENDITURE IN FOREIGN CURRENCY

Amount in ₹

Particulars	For the year ended on March 31, 2016	For the year ended on March 31, 2015
Freight & Travel Expenses	34,531	255,594
Tooling Charges	23,004	533,364
Legal & Professional Charges	950,912	4,981,481
Total	1,008,447	5,770,439

OPTO CIRCUITS (INDIA) LIMITED

NOTE 30- RELATED PARTY DISCLOSURES:**NOTE 30A - 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%
9) Opto Eurocor Healthcare Limited	Subsidiary Company	96.85%
10) Criticare System Inc *	Stepdown Subsidiary company	NA
11) Unetixs Vascular Inc	Stepdown Subsidiary company	NA
12) Criticare Technology Inc **	Stepdown Subsidiary company	NA
13) Eurocor GmbH	Stepdown Subsidiary company	NA
14) Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	NA
15) Eurocor Singapore pte Ltd.	Stepdown Subsidiary company	NA
16) N S Remedies Private Limited	Stepdown Subsidiary company	NA
17) Altron Hotel Pvt Ltd	Stepdown Subsidiary company	NA
* Criticare Systems Inc- Under Liquidation		
** SPV formed for take over of CSI Asset		

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

30B - RELATED PARTY TRANSACTIONS:

Amount in ₹

Nature of Transactions & Name of Related Party	Description of Relationship	Amount of Transaction	
		2015-16	2014-15
PURCHASES			
Raw Materials & Consumables			
Mediaid Inc	Subsidiary Company	-	320,163
Criticare System Inc	Stepdown Subsidiary company	6,276,856	21,816,168
Advanced Micronic Devices Limited	Subsidiary Company	105,051	-
SALES			
Finished Goods			
Mediaid Inc	Subsidiary Company	1,605,800	18,934,304
Criticare System Inc	Stepdown Subsidiary company	57,003,309	68,194,959
Advanced Micronic Devices Limited	Subsidiary Company	3,550,062	3,734,260
Unetixs Vascular Inc	Stepdown Subsidiary company	138,628,625	-
Opto Circuits SDN BHD	Subsidiary Company	5,071,442	-
Fixed Assets			
Vinod Ramnani	Key Management Personnel	7,575,750	-
Ashiwn Khemani	Key Management Personnel	15,000,000	-
Loans & Advances (Debit Balance)			
Advanced Micronic Devices Limited	Subsidiary Company	163,440,791	155,534,920
Opto Eurocor Healthcare Limited	Subsidiary Company	1,669,091,048	1,198,799,991
Criticare System Inc,	Stepdown Subsidiary company	-	59,360,319
N S Remedies Private Limited	Stepdown Subsidiary company	8,591,168	9,948,581
Opto Cardiac Care Limited	Subsidiary Company	5,094,314,045	6,036,852,479
Mediaid Inc	Subsidiary Company	313,315,913	313,376,879
Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	107,431,918	99,617,308
Eurocor GmbH	Stepdown Subsidiary company	104,981,578	104,981,578
Loans & Advances (Credit Balance)			
Criticare System Inc	Stepdown Subsidiary company	-	132,922,326
Devon Innovations Private Limited	Subsidiary Company	132,861,116	114,727,414
Mediaid Inc	Subsidiary Company	12,952,747	12,952,747
Ormed Medical Technology Limited	Subsidiary Company	12,673,286	12,173,286
Opto Infrastructure Limited	Subsidiary Company	328,549,296	834,069,765
Unetixs Vascular Inc	Stepdown Subsidiary company	33,684,902	29,476,275
Criticare systems(m) sdn bhd	Stepdown Subsidiary company	8,761,148	8,761,148
Vinod Ramnani	Key Management Personnel	156,344,857	139,745,476
Usha Ramnani	Key Management Personnel	65,873,547	64,373,547
Jayesh C Patel	Key Management Personnel	39,000,000	39,000,000
Srinivas M	Key Management Personnel	2,834,890	534,890
Bhaskar Valiveti	Key Management Personnel	113,130,000	113,130,000
Sundry Debtors (Balances)			
Mediaid Inc	Subsidiary Company	22,618,114	21,012,314
Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	525,332	525,332
Criticare Systems(M) Sdn Bhd	Stepdown Subsidiary company	175,732	175,732

OPTO CIRCUITS (INDIA) LIMITED

30B - RELATED PARTY TRANSACTIONS (CONTD.)

Criticare Systems Inc	Stepdown Subsidiary company	-	9,262,199
Opto Cardiac Care Ltd	Subsidiary Company	1,492,428	1,492,428
Unetixs Vascular Inc	Stepdown Subsidiary company	134,500,994	-
Opto Circuits (M) Sdn Bhd	Subsidiary Company	5,071,442	-
Sundry Creditors (Balances)			
Advanced Micronic Devices Limited	Subsidiary Company	32,224	32,224
Criticare System Inc	Stepdown Subsidiary company	-	106,398,812
Mediaid Inc	Subsidiary Company	138,574,718	137,209,358
Management Contracts including for Deputation of Employees			
Directors Remuneration			
Vinod Ramnani	Key Management Personnel	7,870,536	7,870,536

NOTE 31

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: 14th June, 2016

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

A AMARANATH
Partner

Membership Number: 213629
Firm Registration Number: 009151S

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 ('the Holding Company') and its subsidiaries (collectively referred to as 'the Company' or 'the Group'), comprising the consolidated balance sheet as at 31st March, 2016, the consolidated statement of profit and loss, the consolidated cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's responsibility for the consolidated financial statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these

consolidated financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

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

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

Basis for Qualification

1. Non Moving Stock

a) In respect of one of its subsidiaries, Advanced Micronic Devices Ltd, we observed that there were non moving stock

OPTO CIRCUITS (INDIA) LIMITED

of Terminal and Multi Para Patient Monitors aggregating to Rs. 4.56 crores.

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

c) In respect of its step down subsidiary, Eurocor Malaysia (Subsidiary of Opto Eurocor Healthcare Ltd) there were non-moving stock resulted in not being sold, aggregating to Rs 40.08 Crores.

d) In respect of its step down subsidiary Eurocor Singapore (Subsidiary of Opto Eurocor Healthcare Ltd), there were non-moving stock resulted in not being sold aggregating to Rs 14.82 Crores.

2. Long outstanding Receivables and Payables:

Company has not obtained confirmation of balances of debtors outstanding as on 31.03.2016.

a) Regarding the trade receivables amounting to Rs.59,977.61 Lakhs (includes overseas dues Rs. 58,531.85 Lakhs more than 6 months), Trade Payables amounting to Rs.22,784.22 Lakhs (includes overseas payables Rs. 3,308.43 Lakhs more than 36 months), there is no confirmation of balances available supporting the outstanding receivables and payables. Although receivables of Rs.37,690.03 Lakhs and payables of Rs. 3,308.43 Lakhs over 36 months, the provisioning/write off of such debts and write back of liabilities could not be ascertained.

b) In respect of the subsidiary, Opto Cardiac Care Limited based on the statutory audit report no provision for bad and doubtful debt has been made in the books of accounts of the company pertaining to debtors outstanding for more than 3 years amounting to Rs. 4,507.43 Lakhs and Advance to Suppliers amounting to Rs.331.71 Lakhs.

c) In respect of the subsidiary Opto Eurocor Healthcare Limited, based on the statutory audit report no provision for bad and doubtful debt has been made in the books of accounts of the company pertaining to debtors outstanding for more than 3 years amounting to Rs. 2,414.03 Lakhs and Advance to Suppliers amounting to Rs. 277.27 Lakhs.

3) The company has the following short term borrowings from the banks as on the date of balance sheet:

Name of the bank	Facility	Amount (in Rs. Crores)
Nova Scotia bank	Working capital	119.16
HDFC Bank Ltd	Working capital	50.47
State Bank of India	Working capital	179.51
Standard Chartered Bank	Working capital	229.16
	TOTAL	578.30

Banks have classified these liabilities as irregular advances. Bank Nova Scotia and HDFC Bank Ltd have issued winding up notices dated 03/06/2014, and 24/11/2014 respectively for recovery of the above said outstanding dues and the bankers have filed winding up petition in the Hon'ble High Court of Karnataka against the company.

State bank of India has issued notice under SARFAESI ACT, on factory building and current assets of the company.

State Bank of India has taken symbolic possession of the property at 83, Electronic City, Phase-1, Hosur Road, Bangalore and has put up notice for auctioning of the property.

4) Advanced Micronic Devices Ltd has a branch at U S A. This branch has not been audited by any other independent auditors for any financial year and also the Company has not produced any records for our verification to check the correctness of the entries in the branch books. These entries are certified by management, where in the branch share of assets are Rs.730 Lakhs. Our report in so far it relates to the amount included in respect of the branch is based solely on financial statements certified by the branch management. In the absence of independent audit we are unable to comment on correctness of unaudited results of the above mentioned branch.

5) The financials statements of Eurocor GmbH, Eurocor Malaysia and Eurocor Singapore overseas subsidiaries of Opto Eurocor Health care Ltd, have not been audited by independent auditors of their respective countries. These unaudited financial statements as approved by the Director of the respective Companies have been furnished to us by the management and our report in so far as it relates to the amount included in respect of each subsidiary, is based

solely on such approved unaudited financial statements we are unable to comment on the correctness of these accounts.

6) During financial year 2013-14, the Indian subsidiary, Advanced Micronic Devices Limited had opted for VCES scheme under service tax act. There is a contingent liability to the extent of Rs 81 Lakhs.

7) Opto Eurocor Healthcare Ltd's subsidiaries, Eurocor Singapore and Eurocor Malaysia and N.S.Remedies Private Limited have suspended their business operation during the previous years, however the accounts of these entities consolidated for consolidation on a going concern basis.

8) Loss of Investment

The Company holds investment in subsidiary Opto Cardiac Care Limited amounting to Rs. 20,005.50 Lakhs and advances amounting to Rs. 50,943.13 Lakhs and has not been able to ascertain the impairment of investments and advances in this subsidiary due to hostile takeover of its step down subsidiary (Cardiac Science Corporation) and the resultant pending litigation before the US Bankruptcy Courts.

Qualified Opinion

Subject to 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, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

i) in the case of the consolidated balance sheet, of the state of affairs of Opto Circuits (India) Limited Group as at 31st March, 2016.

ii) in the case of the consolidated statement of profit and loss, of the loss for the year ended on that date.

iii) in the case of consolidated cash flow statement of the cash flow for the year ended on that date.

Emphasis of Matters

1) The DBS Bank Ltd had sanctioned loan for acquisition of Cardiac Science Corporation (CSC) & had sanctioned loan to Opto Circuits (India) Ltd for working capital requirement & term loan. Entire equity shares of Cardiac Science Corporation and Criticare System Inc., were pledged with DBS Bank Ltd at the time of restructuring of various loan facilities sanctioned by DBS bank. As per the terms & conditions of the loan agreement, the bank reserved the right to invoke the proxy voting right from existing shareholder (i.e. Opto Cardiac Care Ltd),. During June 2015, the DBS bank issued the notice for exercising the rights under agreement executed with the Company. Exercising the proxy right they removed the directors of Cardiac Science Corporation USA and Criticare Systems Inc. USA, & put Criticare Inc. USA for voluntary winding up and Cardiac Science Corporation, USA for bankruptcy under USA Bankruptcy Law.

Due to occurrence of the above event, the entire investment in CSC stands impaired & net profit or loss on such impairment is recognised for the purpose of consolidation.

2) The company formed an SPV "Criticare Technologies Inc," (CTI) to take over the assets of Criticare Systems Inc, (CSI) (excluding Receivables/Payables) through a bidding process, which was approved in our favour as per the court order date 14th December, 2015. The receivables & payables in the books of CSI were reduced from the cost of investment in CSI and the bid prices of ₹ 2,133.80 Lakhs has been treated as investment in CTI

3) Due to loss of control as stated above, an amount of ₹ 31,339.07 Lakhs is reduced from reserves in the Consolidated Financials Statement on account of impairment.

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

Audited Financial statements:

Amount in Crores

Name	Relationship with the Opto Circuits(India) Ltd	Contribution Towards Assets(Rs in Crores)	Contribution Towards Revenue (Rs in crores)
Opto cardiac care Ltd	subsidiary	1095.74	1.71
Opto Eurocor HealthCare Ltd	subsidiary	245.47	3.89

Opto Infrastructure Ltd (Group)	subsidiary	135.52	0
Ormed technologies pvt ltd	subsidiary	5.32	4.87
Devon Innovation Pvt Ltd	subsidiary	22.17	8.02
Total (a)		1,504.22	18.49

Unaudited financial statements

Amount in Crores

Name	Relationship with the Company	Contribution Towards Assets(Rs in Crores)	Contribution Towards Revenue (Rs in Crores)
Mediaid Inc U.S.A	Subsidiary	303.24	47.30
Eurocor Asia Sdn Bhd, (subsidiary Of Opto Eurocor health care ltd)	Step-down subsidiary	421.12	0
Eurocor Singapore Pte Ltd,(subsidiary Of Opto Eurocor health care ltd)	Step-down subsidiary	267.07	0
Opto Circuits(Malaysia)	Subsidiary	160.33	9.74
Eurocor Gmbh Group, (subsidiary Of Opto Eurocor health care ltd)	Step-down subsidiary	349.57	68.76
N.S.Remedies , (subsidiary Of Opto Eurocor Health Care Ltd)	Step-down subsidiary	3.23	0.29
CSI/CTI, USA,(subsidiary Of Opto Cardiac care ltd)	Step-down subsidiary	125.66	94.28
Unitexs Vascular Inc.,USA, (subsidiary Of Opto Cardiac care ltd)	Step-down subsidiary	56.07	46.25
Total (b)		1,686.29	266.62
Grand Total (a+b)		3,190.51	285.11

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

Amount in Crores

Particulars	Audited Financial statements	Unaudited financial statements	Consolidated financial statements (Opto circuits(india) Ltd group)
Revenue	18.49	266.62	285.11
Assets	1,504.22	1,686.29	3,190.51

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on the comments in the auditors' reports of the Holding Company and subsidiary companies incorporated / registered in India, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

(d) Subject to the note.31B forming part of consolidated financial statements regarding non-provision of Minimum Alternative Tax in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2016 taken on record by the Board of Directors of the Holding Company and on the basis of the relevant assertion contained in the audit reports on standalone financial statements of each subsidiary company which are incorporated in India, none of the Directors of the Group Companies incorporated in India is disqualified as on 31 March 2016 from being appointed as a Director of that company in terms of sub section 2 of Section 164 of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A";

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

i. The Company has disclosed the pending litigations on its financial statements :-refer Note 31B

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

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

For B. V. Swami & Co.,

Chartered Accountants

A. AMARANATH

Partner

Membership Number: 213629

Firm Registration Number: 009151S

Place: Bengaluru

Date: 14th June, 2016

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2016, we have audited the internal financial controls over financial reporting of the Opto Circuits (India) Limited (‘the Holding Company’) and its subsidiary companies which are companies incorporated in India as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS’ RESPONSIBILITY

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

plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Holding Company and its subsidiary companies which are incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal controls over

financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTERS

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

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

A. AMARANATH

Partner
Membership Number: 213629
Firm Registration Number: 009151S
Place: Bengaluru
Date: 14th June, 2016

OPTO CIRCUITS (INDIA) LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2016

Amount in ₹

Sl.No.	Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
I	EQUITY AND LIABILITIES			
1	Shareholder's Funds			
	(a) Share Capital	2	2,423,194,070	2,423,194,070
	(b) Reserves and Surplus	3	14,459,950,419	17,100,651,919
			16,883,144,489	19,523,845,989
2	Minority Interest		181,853,673	190,323,318
3	Non-Current Liabilities			
	(a) Long-term borrowings	4	684,813,211	184,886,569
	(b) Deferred tax liabilities (Net)	5	-	-
	(c) Long term provisions	6	6,047,493	27,165,752
			690,860,704	212,052,321
4	Current Liabilities			
	(a) Short-term borrowings	7	10,275,482,116	13,539,930,283
	(b) Trade payables	8	2,948,954,143	2,657,310,528
	(c) Other current liabilities	9	902,863,085	5,868,598,762
	(d) Short-term provisions	10	241,815,258	548,627,369
			14,369,114,602	22,614,466,943
	Total		32,124,973,468	42,540,688,572
II	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	(i) Tangible assets	11	2,167,299,095	3,954,862,006
	(ii) Intangible assets		2,749,401,662	1,390,828,782
	(iii) Capital work-in-progress		330,151,964	310,196,143
			5,246,852,721	5,655,886,931
	(b) Goodwill on Consolidation		1,322,050,730	4,211,399,630
	(c) Non-current investments	12	109,000	109,000
	(d) Deferred tax assets (net)	5	1,959,598	735,043,229
	(e) Long term loans and advances	13	834,480	834,480
	(f) Other non-current assets	14	651,477,090	657,487,498
			654,380,168	1,393,474,207
2	Current assets			
	(a) Inventories	15	4,805,196,624	7,499,256,980
	(b) Trade receivables	16	16,607,843,729	18,427,198,724
	(c) Cash and Cash Equivalents	17	95,588,821	259,973,624
	(d) Short-term loans and advances	18	3,361,638,735	4,752,817,013
	(e) Other current assets	19	31,421,940	340,681,462
			24,901,689,849	31,279,927,804
	Total		32,124,973,468	42,540,688,572
	Significant accounting policies	1		

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

Previous year figures are not comparable due to loss of controlling interest in Cardiac Science Corporation.

For and on behalf of the Board of Directors **As per our report of even date**

VINOD RAMNANI
Chairman & Managing Director

FOR B V SWAMI & CO.
Chartered Accountants

JAYESH PATEL
Director

A AMARANATH
Partner

Place: Bengaluru
Date: 14th June, 2016

Membership Number: 213629
Firm Registration Number: 009151S

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH 2016

Amount in ₹

Sl.No.	Particulars	Note No.	For the year ended on	
			31.03.2016	31.03.2015
I.	Revenue from operations	20	3,129,764,784	11,871,178,611
II.	Other Income	21	338,051,223	247,993,356
III.	Total Revenue (I +II)		3,467,816,007	12,119,171,967
IV.	Expenses:			
	Cost of materials consumed	22	1,680,504,907	6,551,771,954
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23	29,344,695	(39,148,695)
	Employee benefit expense	24	527,949,820	1,367,966,751
	Finance costs	25	436,632,753	1,435,098,851
	Depreciation and amortization expense	11	413,671,304	945,527,563
	Other expenses	26	823,688,563	1,597,319,338
	Total Expenses		3,911,792,042	11,858,535,762
V.	Profit before exceptional and extraordinary items and tax (III - IV)		(443,976,035)	260,636,205
VI.	Exceptional Items		(86,857,209)	1,814,000,200
VII.	Profit before extraordinary items and tax (V - VI)		(357,118,826)	(1,553,363,995)
VIII.	Extraordinary Items		(349,208,124)	-
IX.	Profit before tax (VII - VIII)		(7,910,702)	(1,553,363,995)
X.	Tax expense:	27		
	(1) Current tax		8,556,596	15,315,711
	(2) Deferred tax		2,934,026	1,812,637
XI.	Profit(Loss) for the period after Tax (IX-X)		(19,401,324)	(1,570,492,343)
XII.	Share of Minority Interest		4,862,768	(6,746,665)
XIII.	Profit/(Loss) for the period (XI - XII)		(24,264,092)	(1,563,745,678)
XIV.	Earning per equity share:	28		
	(i) Basic		(0.10)	(6.45)
	(ii) Diluted		(0.10)	(6.45)
	Significant accounting policies	1		

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

Previous year figures are not comparable due to loss of controlling interest in Cardiac Science Corporation.

For and on behalf of the Board of Directors

VINOD RAMNANI
Chairman & Managing Director

JAYESH PATEL
Director

Place: Bengaluru

Date: 14th June, 2016

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

A AMARANATH
Partner

Membership Number: 213629

Firm Registration Number: 009151S

OPTO CIRCUITS (INDIA) LIMITED

CONSOLIDATED CASH FLOW STATEMENT AS ON 31ST MARCH 2016

Amount in ₹

Sl.No.	Particulars	March 31st 2016	March 31st 2015
I	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax & extraordinary items	(7,910,702)	(1,553,363,995)
	Adjustments for non operating items		
	Amortisation and other non cash items	1,001,132,354	(1,221,292,914)
	Depreciation	413,671,304	945,527,563
	Interest paid on borrowings	436,632,753	1,435,098,851
	Interest received on Fixed Deposit	(51,074,142)	(4,950,193)
	Profit / (Loss) Sale of Fixed Assets	124,521,476	(91,496,967)
		1,916,973,043	(490,477,655)
	Adjustments for working capital		
	(Increase)/Decrease in inventories	2,694,060,356	392,071,423
	(Increase)/Decrease in loans & advances	1,706,448,209	261,561,531
	(Increase)/Decrease in sundry debtors	1,819,354,995	(1,156,156,832)
	Increase/(Decrease) in current liabilities	(899,419,425)	(443,954,043)
	Cash operating profit/(loss) before income tax	7,237,417,178	(1,436,955,576)
	Income tax	(11,490,622)	(17,128,348)
	Net cash flow from operating activities	7,225,926,556	(1,454,083,924)
II.	CASH FLOW FROM INVESTING ACTIVITIES		
	Interest received on Fixed Deposit	51,074,142	4,950,193
	Proceeds from Sale of Fixed Assets	(124,521,476)	91,496,967
	Change in Minority Interest	(8,469,645)	(6,071,079)
	Total inflow of cash from investing activities	(81,916,979)	90,376,081
	Purchase of Fixed Assets	15,318,727	599,747,561
	Payment towards Capital Work in Progress	(19,955,821)	142,492,879
	Net cash flow from investing activities	(86,554,073)	832,616,521
III.	CASH FLOW FROM FINANCING ACTIVITIES		
	Proceeds/(Repayment) of Term Loans	(3,602,676,366)	338,669,328
	Proceeds/(Repayment) of Working Capital Loans	(4,143,465,031)	1,150,947,677
	Proceeds/(Repayment) of Unsecured Loans	879,016,864	625,437,213
	Inflow of cash	(6,867,124,533)	2,115,054,218

OPTO CIRCUITS (INDIA) LIMITED

CONSOLIDATED CASH FLOW STATEMENT AS ON 31ST MARCH 2016 (CONTD.)

Amount in ₹

Interest paid on borrowings	(436,632,753)	(1,435,098,851)
Net cash flow from financing activities	(7,303,757,286)	679,955,367
Total increase in cash & cash equivalents during the year	(164,384,803)	58,487,963
Cash & cash equivalents at the beginning of the year	259,973,624	201,485,661
Cash & cash equivalents at the end of the year	95,588,821	259,973,624

Note: Figures in brackets represent outflows

Previous year figures are not comparable due to loss of controlling interest in Cardiac Science Corporation.

For and on behalf of the Board of Directors

VINOD RAMNANI
Chairman & Managing Director

JAYESH PATEL
Director

Place: Bengaluru
Date: 14th June, 2016

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

A AMARANATH
Partner

Membership Number: 213629
Firm Registration Number: 009151S

NOTE No - 1 SIGNIFICANT ACCOUNTING POLICIES

COMPANY OVERVIEW:

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

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF CONSOLIDATION & PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS

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

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

The Consolidated Financial Statements have been combined on a line-by-line basis by adding together book value of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and the unrealized 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 is provided on a pro-rata basis on the straight line method over the useful lives as prescribed under Schedule II to the Companies Act, 2013.

Accordingly, in respect of fixed assets acquired during the year, depreciation / amortization is charged on a straight line basis so as to write off the cost of the assets over the useful lives. Intangible assets are amortized over their respective individual estimated economic useful lives on a straight line

basis commencing from the date the asset is available to the Group for its use. Leasehold improvements are written off over the lower of the remaining primary period of lease or the life of the asset.

6. LICENSE RIGHTS AND PATENTS

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

7. PRODUCT WARRANTIES

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

8. ACCOUNTS RECEIVABLE AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

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

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

9. INVENTORIES

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

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

10. RETIREMENT BENEFITS

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

11. TAXES ON INCOME

• Income Tax

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

• MAT Provision

The Company is not charging off MAT on SEZ profit, as the MAT payment is in the nature of advance tax which will be set off against liability arising in future years. The unclimbable 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 fi 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: 14th June, 2016

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

A AMARANATH
Partner

Membership Number: 213629
Firm Registration Number: 009151S

OPTO CIRCUITS (INDIA) LIMITED

CONSOLIDATED NOTES TO ACCOUNTS

NOTE 2 – SHARE CAPITAL

Amount in ₹

Particulars	As at 31.03.2016	As at 31.03.2015
Authorized:		
375,000,000 (PY 375,000,000) equity shares of Rs10 each	375,000,000	375,000,000
	-	-
	375,000,000	375,000,000
Issued:		
242,581,307 Equity Shares of Rs 10/- each (P.Y. 242,581,307 Equity Shares of Rs 10/- each)	2,424,813,070	2,425,813,070
	2,424,813,070	2,425,813,070
Subscribed and Paid up:		
242,319,407 Equity Shares of Rs 10/- each (P.Y. 242,319,407 Equity Shares of Rs 10/- each)	2,423,194,070	2,423,194,070
Total	2,423,194,070	2,423,194,070

1. OUT OF THE ABOVE:

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

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

Particulars	As at 31.03.2016 No. of shares	As at 31.03.2015 No. of shares
No of shares outstanding at the beginning of the year	242,319,407	242,319,407
Add: Shares issued during the reporting period	-	-
Add: Issue of shares by conversion of share warrants	-	-
No of shares outstanding at the end of the year	242,319,407	242,319,407

ANNEXURE 1

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

Particulars	As on 31.03.2016		As on 31.03.2015	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares:				
(1) Vinod Parasram Ramnani	34,043,581	14.05%	34,043,581	14.04%
(2) HSBC Global Investment Funds A/c HSBC Global Investment Funds	-	0.00%	16,592,408	6.85%
(3) Thomas Dietiker	13,076,150	5.40%	13,076,150	5.40%
	As on 31.03.2016		As on 31.03.2015	
	No. of Shares		No. of Shares	
Equity Shares allotted as fully paid bonus shares during the last five years	55919863		56486863	

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 2016, the amount of share dividend recognised distributed to equity shareholders was ₹ NIL (31st March 2015: ₹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 31.03.2016 ₹	As at 31.03.2015 ₹
Capital Reserves:		
As per last Balance Sheet	-	-
Additions during the year	-	-
Less: Transfer to Bonus share		
Securities Premium Account:		
As per last Balance Sheet	4,344,718,356	4,344,718,356
Additions on shares issued during the year	-	-
Less: Bonus Issue of Shares	-	-
	4,344,718,356	4,344,718,356
General Reserve:		
As per last Balance Sheet	1,270,342,775	1,270,342,775
Add: Transfer from Profit & Loss Account	-	-
	1,270,342,775	1,270,342,775
Foreign Currency Translation Reserve		
As per last Balance Sheet	671,504,084	1,773,503,492
Add: Adjustment for translation of Non Integral Foreign Operations	388,418,606	(1,101,999,408)
	1,059,922,690	671,504,084
Surplus:		
As per last Balance Sheet	10,814,086,704	12,476,212,511
Net Surplus		
Less: Appropriations due to change in method of depreciation	-	98,380,129
	10,814,086,704	12,377,832,382
Add: Profit/(Loss) for the period	(24,264,092)	(1,563,745,678)
Less: Appropriations		
Proposed Dividend		
Tax on Proposed Dividend	-	-
Bonus shares	-	-
Transfer to reserves	3,004,856,014	-
	7,784,966,598	10,814,086,704
Total	14,459,950,419	17,100,651,919

Note: 1) The DBS Bank Ltd had sanctioned loan for acquisition of Cardiac Science Corporation (CSC) & had sanctioned loan to Opto Circuits (India) Ltd for working capital requirement & term loan. Entire equity shares of Cardiac Science Corporation and Criticare System Inc., were pledged with DBS Bank Ltd at the time of restructuring of various loan facilities sanctioned by DBS bank. As per the terms & conditions of the loan agreement, the bank reserved the right to invoke the proxy voting right from existing shareholder (i.e. Opto Cardiac Care Ltd). During June 2015, the DBS bank issued the notice for exercising the rights under agreement executed with the Company. Exercising the proxy right they removed the directors of Cardiac Science Corporation USA and Criticare Systems Inc. USA, & put Criticare Inc. USA for voluntary winding up and Cardiac Science Corporation, USA for bankruptcy under USA Bankruptcy Law.

Due to occurrence of the above event, the entire investment in CSC stands impaired & net profit or loss on such impairment is recognised for the purpose of consolidation.

2) The company formed an SPV "Criticare Technologies Inc.," (CTI) to take over the assets of Criticare Systems Inc, (CSI) (excluding Receivables/Payables) through a bidding process, which was approved in our favour as per the court order date 14th December, 2015. The receivables & payables in the books of CSI were reduced from the cost of investment in CSI and the bid prices of ₹ 2,133.80 Lakhs has been treated as investment in CTI

3) Due to loss of control as stated above, an amount of ₹ 31,339.07 Lakhs is reduced from reserves in the Consolidated Financials Statement on account of impairment.

OPTO CIRCUITS (INDIA) LIMITED

NOTE 4 – LONG TERM BORROWINGS

Amount in ₹

Particulars	As at 31.03.2016	As at 31.03.2015
Term Loans		
- from Banks		
Secured	652,027,723	150,531,379
Unsecured	174,546	911,330
	652,202,269	151,442,709
- from other parties		
Secured	-	-
Unsecured	1,476,000	1,476,000
	1,476,000	1,476,000
Loans and Advances from related parties		
Secured	-	-
Unsecured	1,825,386	1,800,000
	1,825,386	1,800,000
Long term maturities of finance lease obligations		
Secured	29,209,556	30,067,860
Unsecured	-	-
	29,209,556	30,067,860
Other loans and advances		
Secured	-	-
Unsecured	100,000	100,000
	100,000	100,000
Total	684,813,211	184,886,569

NOTE 4A

Opto Circuits India Limited Term loans

(i) During January 2014, the company has borrowed ₹ 775 Lakhs from HDFC Bank Limited. The interest rate is fixed @ 14% P.A and is secured by Specified movable Fixed Assets. The loan is repayable in 8 quarterly installments of ₹ 96.87 Lakhs each. The first installment is slated for April 2015 and the final installment is on January 2017.

The entire amount of debt ₹ 775 Lakhs borrowed from HDFC Bank is due for payment and as such categorised under other current liabilities.

Opto Cardiac Care Ltd and its subsidiaries Term loans

(i) During December 2015, Opto Cardiac Care Ltd borrowed ₹ 2,133.80 Lakhs with INDUSIND Bank & is repayable in 3 tranches, as the acquisition process of productive assets from the receiver of Criticare System Inc., USA are yet to be perfected/completed, hence, the loan is classified as long term. The loan is secured by

- Charge on the assets/ claim on assets / bid-deposit for acquisition held by US based trustee on behalf of the company as per US Laws.

b) Extension of charge on all the movable / immovable current & non-current of OCCL

c) Pledge of 30% of share holding of OCCL, held by OCIL to the extent of 30% & NDU (Non-Disposal Undertaking) for the balance.

The entire amount of debt ₹ 2,133.80 Lakhs borrowed from INDUSIND Bank is due.

(ii) Opto Cardiac Care Ltd has a loan of ₹ 18,777.24 lakhs (USD 30 million) with DBS Bank. The outstanding loan balance as of March 31, 2016 was NIL. The said loan is extinguished during the year due to exercise of voting rights by DBS Bank & sale of loan book to a third party by invoking the conditions mentioned in the restructured Loan agreement entered into December 2014.

(iii) During June 2015, Criticare Systems (Malaysia) Inc., has a borrowed ₹ 3,209.91 Lakhs (USD 4.98 million) from Bank of India (Standby Letter of Credit). The entire amount of debt ₹ 3,209.91 Lakhs borrowed from Bank of India is due for payment.

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 Lakhs (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. Interest at 5.5% PA is charged. The loan outstanding as on 31.03.2016 is ₹ 1,136.18 Lakhs (MYR 6.65 million)

(ii) The Long term maturities of finance lease obligations of ₹ 292.09 Lakhs (MYR 1.71 million) represent the lease facilities granted by CIMB to Eurocor Asia, in relation to its Plant & Equipment which was acquired by hire purchase.

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

NOTE 5 - BREAKUP OF DEFERRED TAX ASSETS (LIABILITY) AT THE END OF YEAR

Amount in ₹

Particulars	As at 31.03.2016	As at 31.03.2015
Net operating loss carried forward	284,138	3,409,031,189
Depreciation/Amortization	(4,519,304)	(1,589,729)
Income tax credits	6,194,764	578,533,027
Others (net of all taxable and deductible timing differences including provisions/expenditure allowable under warranties, trade receivable, inventory etc)	-	991,640,003
Deferred Tax Assets	1,959,598	4,977,614,490
Valuation Allowance	-	(4,242,571,261)
(iii) Deferred tax asset/(liability) net:	1,959,598	735,043,229

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

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

NOTE 6 - LONG- TERM PROVISIONS

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Provision for Leave Encashment	2,184,267	1,170,985
Provision for Gratuity	200,000	-
Provision for Warranty	-	22,331,541
Other Provisions	3,663,226	3,663,226
Total	6,047,493	27,165,752

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NOTE 7 - SHORT TERM BORROWINGS

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Loans repayable on demand		
From Banks		
Secured	7,904,099,726	12,048,807,019
Unsecured	1,455,640	213,378
	7,905,555,366	12,049,020,397
From other parties		
Secured	-	-
Unsecured	1,336,686,777	1,277,129,255
	1,336,686,777	1,277,129,255
Loans and Advances from related parties		
Secured	-	-
Unsecured	967,562,703	166,459,608
	967,562,703	166,459,608
Deposits		
Secured	-	-
Unsecured	14,055,018	-
	14,055,018	-
Other loans and advances		
Secured	1,000,000	1,000,000
Unsecured	50,622,252	46,321,023
	51,622,252	47,321,023
Total	10,275,482,116	13,539,930,283

7.1 Opto Circuits (India) Ltd working capital borrowings

- 7.1 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.
- 7.1 b) The Company along with its step-down subsidiary Cardiac Science Corporation (CSC) had borrowed funds from DBS Bank Limited. In the year 2014-15 the said loan was restructured and as a part of the said process ₹ 12,678.41 Lakhs borrowed by the company was also restructured. As per the terms of the agreement with DBS Bank Limited, upon default by step-down subsidiary (CSC), the bank exercised their right and assigned the debts to a third party and also exercised proxy voting rights to take management control of company. As result of this the loan borrowed by the company to the tune of ₹ 12,678.41 Lakhs stands extinguished.
- 7.1 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.
- 7.1 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 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.
- 7.1 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.

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- 7.1 f) Company has working capital facilities with The Bank of Nova Scotia by hypothecation of the whole of the present and future stocks of raw materials, work in process and finished goods, book debts, outstanding monies, receivables, claims, bills, etc belonging to the company by way of paripassu charge. The company has also given the security of immovable property of its Subsidiary Opto Infrastructure Limited comprising on all that piece and parcel of land known as Plot No's 2A1, 2A2, 2A3, 2A3(P3), 2B1, 2B2, 2C1, 2C2, 3,4,5,6,7,8,9 and 10 in survey numbers in the Hassan Sector Specific Hard Ware Zone Industrial area within the limits of villages Doddabasavanahalli and Chikkabasavanahalli, Shantigrama Hobli, Hassan Taluk, Hassan dist. measuring an total extent of 250 acres.
- 7.1 g) The total short-term secured borrowings of ₹ 61,017.51 Lakhs includes Cash credit facility of ₹ 17,951.30 Lakhs with interest rate in the range of 10% p.a to 13% p.a, Preshipment Credit in Foreign Currency and bill discounting/Postshipment credit in Foreign currency facility/Overdraft and Indian rupee loan of ₹ 43,066.21 Lakhs with interest rate of 8 to 19.5%.
- 7.1 h) The short term interest free unsecured loans of ₹ 1,953.45 Lakhs is from the Directors of the Company, ₹ 1,818.38 Lakhs from the directors of the subsidiary company.
- 7.1 i) Scotia Bank has issued winding up notice dated 6th March 2014 for recovery of outstanding dues of ₹ 11,915.92 Lakhs as on 31st March 2015. The Company is making efforts to negotiate for settlement.
- 7.1 j) State Bank of India, The Bank of Nova Scotia, Hdfc Bank Limited have suspended charging the interest as the loans are categorised as NPA. The company has not recognised the interest on these borrowings.
- 7.1 k) State Bank of India has issued a notice under SARFAESI Act for recovery of its dues from the company and filled petition before the debt recovery tribunal, Karnataka and also proceeded for auction of company's property situated at plot No 83, Electronics city Phase 1 hosur road, Bangalore. The auction did not take place. The company is negotiating with the bank for a settlement.

7.2 OEHL and its subsidiaries group working capital borrowings

- 7.2 a). Eurocor GmbH has obtained a working capital facility from Commertz Bank amounting to ₹ 5,608.82 lakhs (Euro 7.47 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.
- 7.2 b). Eurocor GmbH has obtained a working capital facility from Hinduja Bank amounting to ₹ 2,941.27 lakhs (Euro 3.97 Million) secured against accounts receivable, Inventories & Opto Circuits (India) Ltd has extended a Corporate Guarantee.
- 7.2 c). Amount due from a related company and others are unsecured and without fixed terms of repayment.
- 7.2 d). Eurocor Asia has obtained bank facilities from Standard Chartered Bank of ₹ 5,658.44 lakhs (MYR 33.09 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.
- 7.2 e). Eurocor Asia has obtained a CIMB - Foreign Currency Trade Loan (FCTL) from CIMB amounting to ₹ 212.72 lakhs (MYR 1.54 million).

7.3 OCCL and its subsidiaries group working capital borrowings

- 7.3 a). Opto Cardiac Care Ltd has Pre-shipment Credit in Foreign Currency and Bill Discounting/Post shipment credit in Foreign Currency facility of ₹ 3,301.77 Lakhs (USD 4.98 million) with interest rate in the range of 7% to 8% pa. This facility is secured on Opto Cardiac Care Ltd's Inventory & Debtors. This facility is in co-terminus with the limits sanctioned to Opto Circuits India Ltd.

7.4 Other Loans and advances includes interest free unsecured advances received from other corporates/Directors on short-term .

NOTE 8 - TRADE PAYABLES

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Trade payables	2,948,954,143	2,657,310,528
Total	2,948,954,143	2,657,310,528

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NOTE 9 - OTHER CURRENT LIABILITIES

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Current maturities of long-term debt (refer note 3a)	84,085,302	4,186,688,310
Advance from Customers	72,591,715	361,918,256
Unpaid dividends	3,112,165	3,112,165
Unclaimed dividends	3,702,649	7,844,469
Statutory Dues Payables	578,366,985	602,207,302
Sundry Creditors for Capital goods	591,723	4,406,555
Sundry Creditors for Expenses	160,412,546	702,421,705
Total	902,863,085	5,868,598,762

(a) Statutory dues payable includes provident fund, employees state insurance, professional tax, withholding taxes and other indirect taxes. Out of the above Dividend distribution Tax payable by Opto Circuits (India) Ltd has obtained a stay from the High Court of Karnataka. This stay was dismissed and the company filed a Writ Appeal No. 4271/2013 with the Divisional Bench of the Hon'ble High Court of Karnataka which has been admitted on 7th March 2014, adjourned sine die and referred to a larger bench of the Hon'ble Apex Court.

NOTE 10 - SHORT-TERM PROVISIONS

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Income Tax provision less payments	185,489,335	264,021,961
Provision for Leave Encashment	8,788,809	7,996,832
Provision for Gratuity	3,098,598	2,675,215
Provision for Warranty	10,627,166	221,100,374
Provisions for AED Field Updates	-	15,282,951
Other provisions	33,811,350	37,550,036
Total	241,815,258	548,627,369

NOTE 11 - CONSOLIDATED FIXED ASSETS

Amount in ₹

Particulars	Cost				Depreciation / Amortization				Net Block			
	As at 01.04.2015	Additions during the year	Deductions during the year	Adjustments	As at 31.03.2016	As on 01.04.2015	For the year	On Deductions	Adjustments	Upto 31.03.2016	As on 31.03.2016	As at 31.03.2015
TANGIBLE ASSETS												
Land	114,572,923	1,224,060	-	1,709,863	117,506,846	1,406,253	-	-	(1,406,253)	-	117,506,846	113,166,670
Leasehold Premises	166,531,973	1,324,469	-	(161,492,448)	6,363,994	133,853,925	1,500,775	-	(132,874,699)	2,480,001	3,883,993	32,678,048
Borewell	73,655	-	-	-	73,655	-	-	-	-	-	73,655	73,655
Buildings	253,173,421	-	(7,421,440)	12,568,757	258,320,738	63,621,209	9,329,633	(1,882,451)	2,645,435	73,713,826	184,606,912	189,552,212
Apartments	12,685,605	-	(7,506,280)	-	5,179,325	4,860,007	423,699	(2,882,819)	-	2,400,887	2,778,438	7,825,598
Office Buildings	4,347,218	-	-	-	4,347,218	3,494,160	108,599	-	-	3,602,759	744,459	853,058
GH Furniture & Fixture	657,328	-	-	-	657,328	451,390	50,147	-	-	501,537	155,791	205,938
Plant & Equipment	5,051,595,512	81,014,690	(11,154,702)	(2,568,630,799)	2,552,824,701	1,660,326,418	235,036,347	-	(1,104,122,731)	791,240,034	1,761,584,667	3,391,269,094
Furniture & Fixtures	237,782,284	7,454	-	(132,784,096)	105,005,642	185,631,689	10,209,756	-	(122,172,359)	73,669,086	31,336,556	52,150,595
Computers	559,689,910	402,765	(3,085,592)	(361,388,217)	195,618,866	533,585,171	5,264,267	-	(345,762,788)	193,086,650	2,532,216	26,104,739
Electrical Installation	319,329,981	8,190,039	(580,382)	(189,938,983)	137,000,655	202,629,970	19,499,711	-	(135,507,224)	86,622,457	50,378,198	116,700,011
Vehicles	66,847,907	6,478,513	(1,145,601)	(9,830,528)	62,350,291	57,634,494	4,019,765	(939,705)	(4,105,377)	56,609,177	5,741,114	9,213,413
Office Equipment	97,288,880	646,273	(160,509)	(70,417,577)	27,357,067	83,315,185	2,370,166	-	(63,143,701)	22,541,650	4,815,417	13,973,695
Overseas Assets	36,357,102	-	-	2,174,165	38,531,267	35,261,821	-	-	2,108,613	37,370,434	1,160,833	1,095,281
Total	6,920,933,699	99,288,263	(31,054,506)	(3,478,029,863)	3,511,137,593	2,966,071,692	287,812,865	(5,704,975)	(1,904,341,084)	1,343,838,498	2,167,299,095	3,954,862,006
Previous year	7,594,439,286	97,688,422	(373,706,766)	(397,486,243)	6,920,933,699	2,423,565,409	558,477,661	(174,018,589)	158,047,211	2,966,071,692	3,954,862,006	5,170,872,877
INTANGIBLE ASSETS												
(Other than internally generated)												
Goodwill	6,000,000	-	-	-	6,000,000	-	-	-	-	-	6,000,000	6,000,000
Brands / Trademarks	733,265,028	465,475	-	(733,730,503)	-	-	-	-	-	-	-	733,265,028
Computer Software	40,033,192	-	-	299,888	40,333,080	35,749,728	76,180	-	46,005	35,871,913	4,461,167	4,283,464
Copyrights, Patents, IPR	531,945,235	-	-	(518,892,463)	13,052,772	347,181,780	113,203	-	(334,242,211)	13,052,772	-	184,763,455
Recipes, formulae, models, designs and prototypes	2,744,433,811	-	-	(491,247,424)	2,253,186,387	2,281,916,976	125,669,056	-	(180,903,642)	2,226,682,390	26,503,997	462,516,835
Customer Relationship Intangible Assets Under Development	1,250,564,184	-	-	(1,250,564,184)	-	1,250,564,184	-	-	(1,250,564,184)	-	-	-
	-	2,712,436,498	-	-	2,712,436,498	-	-	-	-	-	2,712,436,498	-
Total	5,306,241,450	2,712,901,973	-	(2,994,134,686)	5,025,008,737	3,915,412,668	125,858,439	-	(1,765,664,032)	2,275,607,075	2,749,401,662	1,390,828,782
Previous year	5,354,990,350	-	(1,412,700)	(47,336,200)	5,306,241,450	3,634,394,800	38,704,902	-	(106,032,034)	3,915,412,668	1,390,828,782	1,720,595,550
Capital WIP	310,196,143	20,896,762	-	(940,941)	330,151,964	-	-	-	-	-	330,151,964	310,196,143

NOTE:**Research & Product Development:**

Product development costs incurred on new products are recognised as intangible assets, the Company has committed technical, financial and other resources to complete the development and it is probable that the asset will generate probable future economic benefits. The costs capitalised include the cost of materials, direct labour and directly attributable overhead expenditure incurred up to the date the asset is available for use. Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment loss.

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NOTE 12 - NON CURRENT INVESTMENTS

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Non CURRENT INVESTMENTS Unquoted		
(Trade/Non-trade)		
Investments in Equity Shares (Quoted)		
Investments in Equity Shares	-	-
Centum Electronics Ltd (Quoted) 233 Shares	7,000	7,000
Microland Ltd (Unquoted) 10 Shares	102,000	102,000
Total	109,000	109,000

Aggregate cost of Quoted Investments ₹ 7,000 Market value ₹ 12,000 (P.Y. 22,205) as on 31st March 2015 or as on last Quoted date. Unquoted Investment ₹ 1,02,000 market value as certified by the directors.

NOTE 13 - LONG TERM LOANS AND ADVANCES

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Taxes paid in advance less provisions	834,480	834,480
Total	834,480	834,480

NOTE 14 - OTHER NON CURRENT ASSETS

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
a) Deposits with more than 12 months maturity	23,800,115	76,189,519
b) Miscellaneous Expenses* (to the extent not written-off/adjusted)	6,121,659	8,504,445
c) Other Loans and Advances	12,807,000	12,812,000
d) Advance towards Capital Goods	583,876,956	538,727,527
e) Taxes paid in advance less provisions	24,871,360	21,254,007
Total	651,477,090	657,487,498

14(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 off 1/5th every year. Balance amount not written off is shown as Miscellaneous expenditure.

NOTE 15 - INVENTORIES

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(At lower of cost and net realisable value)		
Raw materials	4,175,179,831	5,377,907,815
Work - in - Progress	1,517,341,676	1,576,011,336
Finished Goods	317,654,283	501,168,958
Less: Exclusion of Closing Stock relating to Criticare System Inc.,		
Raw materials	930,263,211	-
Work - in - Progress	25,291,018	-
Finished Goods	249,424,937	-
Adjusted Raw materials	3,244,916,620	5,377,907,815
Adjusted Work - in - Progress	1,492,050,658	1,576,011,336
Adjusted Finished Goods	68,229,346	501,168,957
Others (specify nature)	-	44,168,872
Total	4,805,196,624	7,499,256,980

NOTE 16 -TRADE RECEIVABLES

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(Unsecured, considered good unless otherwise stated)		
1) Debts due for a period exceeding six months		
Considered Good	8,724,770,147	13,972,448,378
Considered Doubtful	-	-
	8,724,770,147	13,972,448,378
2) Other Debts:		
Considered Good	7,883,736,134	4,455,412,898
Considered Doubtful	-	-
	7,883,736,134	4,455,412,898
Less: Provision for Doubtful Debts	662,552	662,552
Total	16,607,843,729	18,427,198,724

NOTE 17 - CASH AND CASH EQUIVALENTS

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Balances with banks in -		
Margin Money	1,427,104	5,209,873
Other commitments	-	-
Earmarked balances	27,103,399	17,125,585
Current Accounts	62,827,153	235,847,139
	91,357,656	258,182,597
Cash on hand	4,231,165	1,791,027
Total	95,588,821	259,973,624

NOTE 18 - SHORT TERM LOANS AND ADVANCES

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(Unsecured, considered good unless otherwise stated)		
Loans and Advances to related parties		
Considered Good	-	-
Considered Doubtful	-	-
	-	-
Less: Provision for Doubtful Advances	-	-
Staff advance	3,315,135	5,169,429
Others Advances	196,481,571	71,333,737
Advances to suppliers & services	2,604,933,888	4,250,495,075
Advances to Capital Goods	1,625,370	6,043,171
	2,806,355,964	4,333,041,412
Less: Provision for Doubtful Advances and Loans	-	-
	2,806,355,964	4,333,041,412
Taxes paid in advance less provisions (current tax)	551,933,786	416,210,473
Tax paid in advance less provision (fringe benefit tax)	-	-
Balances with Central Excise, Customs, Port trust, etc.	3,348,985	3,565,128
Total	3,361,638,735	4,752,817,013

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

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

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NOTE 19 - OTHER CURRENT ASSETS

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Deposits (3 months to 12 months maturity)	8,071,088	4,108,501
Prepaid Expenses	23,350,852	336,572,961
Total	31,421,940	340,681,462

NOTE 20 - REVENUE FROM OPERATIONS

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Products	2,987,551,049	11,236,699,569
Services	128,345,310	631,269,778
Other operating revenues	13,868,425	3,209,264
Total	3,129,764,784	11,871,178,611

NOTE 21 - OTHER INCOME

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Interest income received from Bank	51,074,142	4,950,193
Dividend income	-	-
Net gain on sale of assets	38,165,824	91,496,967
Net gain on foreign currency transaction and translation	225,690,327	104,136,127
Sundry provisions and credit balances no longer required	19,183,188	1,854,362
Other non-operating income*	3,937,742	45,555,707
Total	338,051,223	247,993,356

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

NOTE 22 - COST OF MATERIALS CONSUMED

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Opening stock	5,377,907,815	6,367,527,236
Less: Exclusion of Opening Stock relating to Cardiac Science Corp.	644,007,569	-
Adjusted Opening Stock	4,733,900,246	6,367,527,236
Add: Purchases	1,561,380,481	6,136,196,351
Less: Closing stock	4,175,179,831	5,377,907,815
	2,120,100,896	7,125,815,772
Less: R&D Product Development Expenses	1,024,344,125	-
(A)	1,095,756,771	7,125,815,772
ADD: MANUFACTURING AND OPERATING COST		
Consumption of stores and spare parts	1,051,729	3,296,226
Customs Duty & Supervision Charges	371,322	612,196
Freight, Handling, Octroi and Others	24,028,642	64,795,771

OPTO CIRCUITS (INDIA) LIMITED

Insurance		22,028,060	63,138,129
Labour Charges & Job Work		85,662,617	522,214,679
Power & Fuel		9,710,178	15,292,672
Production Supplies		3,414,374	6,855,481
R&D,Product Development Expenses		389,299,786	489,372,387
Repairs & Maintenance - Building		3,491,621	11,362,511
Repairs & Maintenance - Electricals & Others		20,727,771	39,097,774
Repairs & Maintenance - Plant & Machinery		2,260,617	6,268,633
Service Charges		1,473,877	577,249
Spares - materials		14,993,842	10,883,581
Tooling Charges		6,233,700	6,189,093
	(B)	584,748,136	1,239,956,382
Cost of material consumed	(A)+(B)	1,680,504,907	8,365,772,154

Note: (i) Due to loss of controlling interest in Cardiac Science Corporation, the inventories have been restated.

(ii) For the year ended 31 March 2015 due to the impact of cyclonic flood HUD HUD in october 2014 at vishakapatnam SEZ plant, an amount of Rs 18,140.00 lakhs was assessed and the loss of stock/inventories is indicated under exceptional items.

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

Amount in ₹

Particulars	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Inventories at the end of the year:		
Finished goods	317,654,283	501,168,957
Work-in-progress	936,595,135	995,264,796
Stock-in-trade	-	-
	1,254,249,418	1,496,433,753
Inventories at the beginning of the year:		
Finished goods	501,168,957	265,586,988
Work-in-progress	995,264,796	1,191,698,070
Stock-in-trade	-	-
Less: Exclusion of Opening Stock relating to Cardiac Science Corp.		
Finished goods	197,112,700	-
Work-in-progress	15,726,940	-
Stock-in-trade	-	-
Adjusted Finished goods	304,056,257	265,586,988
Adjusted Work-in-progress	979,537,856	1,191,698,070
Adjusted Stock-in-trade	-	-
	1,283,594,113	1,457,285,058
Net (increase) / decrease	29,344,695	(39,148,695)

Note: Due to loss of controlling interest in Cardiac Science Corporation, the inventories have been restated.

NOTE 24 - EMPLOYEE BENEFIT EXPENSE

Amount in ₹

Particulars	For the year ended on	
	31.03.2016 ₹	31.03.2015 ₹
Salaries and wages	449,491,124	1,207,705,851
Contribution to provident and other funds	24,610,003	29,451,466
Staff welfare expenses	53,848,693	130,809,434
Total	527,949,820	1,367,966,751

OPTO CIRCUITS (INDIA) LIMITED

NOTE 25 – FINANCE COSTS

Amount in ₹

Particulars	For the year ended on	
	31.03.2016 ₹	31.03.2015 ₹
Interest expense	417,464,122	1,266,227,807
Other borrowing costs	1,494,899	95,905,065
Bank Charges	17,272,607	72,965,979
Net gain/(loss) on foreign currency transactions & translation	401,125	-
Total	436,632,753	1,435,098,851

NOTE 26 – OTHER EXPENSES

Amount in ₹

Particulars	For the year ended on	
	31.03.2016 ₹	31.03.2015 ₹
Administrative Expenses:		
Audit Fee	7,973,551	19,111,872
Advertisement & Trade Shows	12,099,932	63,333,729
Bad Debts	64,908,809	588,866
Commission	53,616,874	4,004,749
Discount	1,453,194	16,811,310
Directors Remuneration	19,963,848	24,259,297
Donation	-	754,923
Electricity & Water Charges	7,915,162	22,767,318
General Expenses	44,590,622	121,500,975
Membership, Books & Periodicals	832,491	11,785,090
Miscellaneous expenses	11,507,766	13,909,597
Net loss on foreign currency transaction and translation	63,053,112	3,788,794
Net loss on sale of assets	162,687,300	-
Office Maintenance	11,130,096	131,930,556
Outside Labour	62,204,610	144,263,807
Postage, Telephone & Fax Charges	14,412,461	53,265,911
Printing & Stationery	6,645,830	10,353,867
Prior period items	8,120,044	18,873,015
Professional Consultancy Charges	127,947,937	354,116,336
Quality Certification, Patent & FDA Expenses	5,223,348	7,582,183
Rates & Taxes	8,503,475	63,480,364
Rent	37,314,888	147,103,506
Travelling & Conveyance	50,383,067	200,696,918
Total A	782,488,417	1,434,282,983
Selling Expenses:		
Business Promotion Expenses	3,807,465	122,636,577
Clearing Charges	4,330,049	5,385,767
Freight & Handling Charges	26,481,681	29,626,698
Packing Materials	6,572,834	5,357,341
Transportation	8,117	29,972
Total B	41,200,146	163,036,355
Total (A+B)	823,688,563	1,597,319,338

NOTE 26A - PRIOR PERIOD EXPENSE CONSIST OF FOLLOWING ITEMS

Amount in ₹

Particulars	2016 ₹	2015 ₹
Professional Expense	328,731	18,241
Office Maintenance	16,436	-
Non Moving Stock Written-off	-	18,132,340
Repairs & Maintenance Others	16,558	-
Interest	216,407	463,139
Fax & Telephone	13,759	-
Tax provision	4,798,626	259,295
Postage	60,367	-
Freight & Handling charges	84,684	-
Net loss on foreign currency transaction and translation	2,256,433	-
Bad Debts	328,043	-
Total	8,120,044	18,873,015

NOTE 26B -PAYMENT TO AUDITORS (NET OF SERVICE TAX)

Amount in ₹

Particulars	For the year ended on	
	31.03.2016 ₹	31.03.2015 ₹
Audit fee	7,923,551	15,709,084
Tax Audit fees	50,000	2,920,840
Taxation matters	-	-
Other services	-	481,948
Out of pocket expenses reimbursed	-	-
Total	7,973,551	19,111,872

NOTE 27 - PROVISION FOR TAX

Amount in ₹

Particulars	For the year ended on	
	31.03.2016 ₹	31.03.2015 ₹
Current Tax	8,556,596	15,315,711
Deferred Tax	2,934,026	1,812,637
Total	11,490,622	17,128,348

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.

OPTO CIRCUITS (INDIA) LIMITED

NOTE 28 - EARNINGS PER SHARE

Amount in ₹

Particulars	For the year ended on	
	31.03.2016 ₹	31.03.2015 ₹
Net Profit after tax	(24,264,092)	(1,563,745,678)
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*	(0.10)	(6.45)

*EPS for previous year has been restated.

NOTE 29 - RETIREMENT BENEFITS TO EMPLOYEES

(i) The company and its Indian Subsidiaries liability towards retirement benefit in the form of provident fund, gratuity and earned leave encashment are provided for on accrual basis and charged to revenue expenditure. The company contributed to the employee provident fund under the 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

(ii) Overseas subsidiaries provide for retirement benefits under respective laws and regulations

(iii) In OCCL group, 401(k) Plan includes provision for an

employee deferral of up to 50% of pre-tax compensation to the maximum deferral allowed under Internal Revenue Code guidelines, and up to 50% of compensation for after-tax deferral. On behalf of eligible employees, the group may makes matching contribution equal to a discretionary percentage of the elective deferral up to the Plan's established limits and is subject to the Plan's vesting schedule.

(iv) In OEHL group, eligible employees receive benefit from a provident fund which is a defined benefit plan. Both employee and the company make monthly contribution to the provident fund plan equal to a specified percentage of the covered employees salaries.

NOTE 30 - CONVERSION RATES USED FOR FOREIGN FINANCIALS ON 31ST MARCH 2016 ARE AS FOLLOWS:

Amount in ₹

Particulars	Opening rate (₹)	Average Rate (₹)	Closing Rate (₹)
USD	62.5908	64.4619	66.3329
Euro	67.5104	71.3030	75.0955
MYR	16.8194	16.9576	17.0957
SGD	45.3563	47.2569	49.1575

NOTE 31 A - CONTINGENT LIABILITY

Amount in ₹

Particulars	As at 31.03.2016	As at 31.03.2015
Guarantees		
Corporate Guarantee has been given to Opto Cardiac Care Limited (Company holding 100% of shares)	610,000,000	610,000,000
Corporate Guarantee has been given to Eurocor Gmbh on behalf of Opto Eurocor Health Care Limited (Company holding 96.85% of shares)	1,350,000,000	600,998,000
Corporate Guarantee has been Given to Eurocor Asia Sdn Bhd on behalf of Opto Eurocor Health Care Limited (Company holding 96.85% of shares)	1,338,269,840	1,338,269,840
Corporate Guarantee has been given to Opto Cardiac Care Limited (Company holding 100% of shares)	1,514,697,360	1,514,697,360

NOTE 31 B

The company has filed Writ petitions (No 21939-942/2011 & 21943-946/2011) No 21942/2011 in the High Court of Karnataka on the ground that income accrued or arising from business carried on by the company as SEZ developer or unit are exempted from applicability of MAT as provided under section 115JB (6) and Section 115-O(6) of the Income tax act. However the writ petition filed by the company came to be dismissed and the contention was not accepted by the single judge of the High court in its 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 2012-2013
Tax	684,769,697	475,494,403
Interest	273,865,853	45,728,656

The company has paid a sum of ₹ 5,111.84 Lakhs for the assessment year 2012- 2013.

NOTE 31 C - DIVIDEND DISTRIBUTION TAX

Amount in ₹

Assesment Year	Dividend Distribution Tax	Interest Amount	Total
2010-11	124,590,035	51,081,914	175,671,949
2011-12	139,313,855	40,459,018	179,972,873
2012-13	117,930,798	20,048,236	137,979,034
Total	381,834,688	111,589,168	493,623,856

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

NOTE 32 - 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 ₹ 3,893.00 Lakhs has been spent.

NOTE 33 - EXTRA ORDINARY ITEMS / EXCEPTIONAL ITEMS

Financials statement contains extra ordinary items which include ₹ 3,492.08 Lakhs gain arising on account of loss of controlling interest in the Cardiac Science Corporation, and an amount of ₹ 868.57 Lakhs is on account of write off of the balances of CSC & CSI in the books of the Eurocor GMBH & Eurocor Asia.

OPTO CIRCUITS (INDIA) LIMITED

NOTE 34 - SEGMENT REVENUE

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

₹ in Lakhs

Particulars	International 31.03.2016	Domestic 31.03.2016	Total 31.03.2016
1. SEGMENT REVENUE			
a. Health Care	31,778.51	1,338.41	33,116.92
b. Information Technology	-	36.82	36.82
c. Others	138.68	3,520.20	3,658.88
Total	31,917.20	4,895.42	36,812.62
Less: Inter Segment Revenue	(1,994.77)	(139.69)	(2,134.46)
Net Sales/Income From Operations	29,922.43	4,755.74	34,678.16
2. SEGMENT RESULTS (PROFIT BEFORE INTEREST & TAX)			
a. Health Care	563.04	(599.65)	(36.62)
b. Information Technology	-	(36.82)	(36.82)
c. Others	-	-	-
Total	563.04	(636.46)	(73.43)
Less: Interest	4,298.20	68.13	4,366.33
Total Profit Before Tax	(3,735.16)	(704.59)	(4,439.76)

NOTE 35 - RELATED PARTY DISCLOSURES:

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

* Criticare Systems Inc. (CSI) - Under Liquidation

** SPV formed for take over of CSI Assets

OPTO CIRCUITS (INDIA) LIMITED

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 36

Additional information, as required under Schedule III to the Company Act, 2013 of entities consolidated as subsidiaries:

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount ₹ Lakhs	As % of consolidated profit or loss	Amount ₹ Lakhs
Parent Company				
Opto Circuits (India) Limited	74.24%	126,697.03	742.61%	(1,801.87)
Subsidiaries				
Indian				
Advance Micronic Devices Ltd, India	-1.05%	(1,798.30)	880.62%	(2,136.73)
Opto Eurocor Healthcare Ltd, India	30.17%	51,484.72	-635.98%	1,543.15
Ormed MedicalTechnology Ltd, India	0.24%	407.27	-10.50%	25.48
Devon Innovations Pvt. Ltd, India	0.62%	1,050.17	-60.47%	146.74
Opto Infrastructure Ltd, India	2.49%	4,254.34	0.00%	-
Opto Cardiac Care Ltd, India	-3.62%	(6,173.43)	379.99%	(922.01)
Foreign				
Mediaid Inc. USA	14.59%	24,904.45	-843.01%	2,045.49
Opto Circuits (Malaysia) Sdn. Bhd, Malaysia	5.63%	9,612.27	-376.18%	912.76
Maxcor LifeScience Inc, USA	0.00%	-	0.00%	-
Minority Interests in all subsidiaries	1.07%	1,818.54	20.04%	(48.63)
Effect of intercompany adjustments	-24.38%	(41,607.09)	2.89%	(7.02)
TOTAL	100%	170,649.97	100%	(242.64)

NOTE 37

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

For and on behalf of the Board of Directors

VINOD RAMNANI
Chairman & Managing Director

JAYESH PATEL
Director

Place: Bengaluru
Date: 14th June, 2016

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

A AMARANATH
Partner

Membership Number: 213629
Firm Registration Number: 009151S

OPTO CIRCUITS (INDIA) LIMITED

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

₹ in Lakhs

Sl No.	Name of Subsidiary and Country of Incorporation	Exchange Rate	Share Capital	Reserves & Surplus	Total assets	Total Liabilities (excluding share-capital & reserve & surplus)	Investments	Turnover	Profit/(loss) before taxation	Provision for taxation	Profit/(loss) after taxation	Proposed Dividend	% of Share-holding
1	Advanced Micronic Devices Limited, India	-	528.11	(2,326.41)	2,713.64	4,513.03	1.09	665.20	(2,136.73)	-	(2,136.73)	-	59.71%
2	Opto Eurocor Healthcare Ltd, India	-	6,608.24	44,876.48	100,101.20	48,616.48	-	7,263.32	1,554.69	11.54	1,543.15	-	96.85%
3	Mediald Inc. USA	1 USD = Rs.66.3329	4,455.49	20,448.96	30,323.91	5,419.46	-	4,729.99	2,045.47	(0.01)	2,045.49	-	100%
4	Ormed Medical Technology Ltd, India	-	25.00	382.27	532.06	124.79	-	486.95	36.72	11.24	25.48	-	100%
5	Devon Innovations Pvt. Ltd, India	-	10.00	1,040.17	2,216.56	1,166.39	-	801.76	192.29	45.56	146.74	-	100%
6	Opto Infrastructure Ltd, India	-	2,067.45	2,186.89	13,551.84	9,297.51	-	-	-	-	-	-	87.20%
7	Opto Circuits (Malaysia) Sdn. Bhd, Malaysia	1 MYR = Rs. 17.0957	4,463.00	5,149.27	16,033.20	6,420.93	-	973.67	912.76	-	912.76	-	100%
8	Maxcor LifeScience Inc, USA	1 USD = Rs.66.3329	-	-	-	-	-	-	-	-	-	-	100%
9	Opto Cardiac Care Ltd, India	-	5,005.50	(11,178.93)	58,749.42	64,922.85	-	14,224.23	(922.01)	-	(922.01)	-	100%

SAFE HARBOUR

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

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

NOTES

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

AGM NOTICE

OPTO CIRCUITS (INDIA) LIMITED

CIN:L85110KA1992PLC013223

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

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

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

NOTICE is hereby given that the 24th Annual General Meeting of the Members of Opto Circuits (India) Limited, will be held on Wednesday, September 07 2016, at 11:30 AM at the Registered Office of the Company situated at Plot No. 83, Electronic city, Hosur Road, Bangalore – 560 100, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement of the Company (including Consolidated Financial Statements) for the financial year ended March 31, 2016 together with the Board's Report including Secretarial Audit Report and Auditors Report.
2. To consider appointment of a Director in place of Mr.Thomas Dietiker (holding DIN : 01424625) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.
3. To consider and approve appointment of Auditors and to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:
“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, consent of the Members of the Company be and is hereby accorded to appoint Messrs. B.V. Swami & Co., Chartered Accountants, Bangalore (Registration Number 009151S with the Institute of Chartered Accountants of India) as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company for audit of financial statements for the financial year 2016-17, at a remuneration to be decided by the Audit and Risk Management Committee of the Board of Directors (“Committee”) in consultation with the Auditors.”

SPECIAL BUSINESS:

4. **Appointment of Mr.Somadas G C as an Independent Director of the Company.**
To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:
“**RESOLVED THAT** pursuant to Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactment thereof for the time being in force), Mr.Somadas G.C (DIN: 00678824) who was appointed as an Additional Director in the capacity of Independent Director of the Company by the Board of Directors effective April 26, 2016 and who holds office till the date of the Annual General Meeting in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member in terms of Section 160 of the Companies Act, 2013 signifying his intention to propose Mr.Somadas G.C (DIN: 00678824) as a candidate for the office of Director of the Company, 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 a term up to the conclusion of the Twenty Seventh Annual General Meeting of the Company.”
5. **Issue of further Shares on Stock Swap basis to the Shareholders of Opto Eurocor Helathcare Limited.**
To consider, and if thought fit, to pass, the following as a Special Resolution:
“**RESOLVED THAT** pursuant to the provisions of Sections 62, and any other applicable provisions of the Companies Act, 2013 read with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and any applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, any other applicable laws, Regulations, policies or guidelines, the provisions of the Memorandum and Articles of Association of the Company, the Foreign Exchange Management Act, 2000 (‘FEMA’) and the relevant Rules there under and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the “SEBI ICDR Regulations”), Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI Takeover Regulations”), and amendments thereto the regulations/guidelines, if any, prescribed by the Reserve Bank of India (“RBI”), the Foreign Investment Promotion Board (“FIPB”), the Securities and Exchange Board of India (“SEBI”), the Government of India (“GoI”) and all other relevant statutory, Governmental Authorities or Departments, Institutions or Bodies in this regard (collectively, the “Appropriate Authorities” and individually, the “Appropriate Authority”) SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of them while granting such approvals, consents, sanctions and permissions as may be necessary or which may be agreed to, by the Board of Directors of the Company (the

“Board” which term shall be deemed to include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution), to create, offer, issue and allot, from time to time, in one or more tranches, through a private placement and / or any other nature of offerings as may be permitted under applicable laws, 8,89,10,406 (Eight Crore Eighty Nine Lakhs Ten Thousand Four Hundred Six Only) Equity Shares of Rs 10/- each of the Company at a price of Rs.15 Per Share, in exchange for 34,19,631 (Thirty Four Lakhs Nineteen Thousand Six Hundred Thirty One Only) number of fully paid up Equity Shares of Rs10/- each in Opto Eurocor Healthcare Limited, a subsidiary of the Company, based on the valuation of the said Shares with the details of the proposed allottees as under the Explanatory Statement, item No.5.

RESOLVED FURTHER THAT, the “Relevant Date” in relation to the issue of Equity Shares in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be August 08, 2016 being 30 days prior to the date of passing of this resolution.”

RESOLVED FURTHER THAT the issue of Equity Shares as above shall be subject to lock in as applicable under SEBI Guidelines in this behalf.

RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of the Equity Shares and for the purpose of giving effect to this issue or allotment of Shares, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including but without limitation, appointment of consultants, solicitors, merchant bankers or any other agencies as may be required and entering into arrangements for listing, trading, depository services and such other arrangements and agreements, as may be necessary and also to seek listing of the Equity Shares representing the same in any Stock Exchange (s) with power on behalf of the Company, to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of Equity Shares and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

RESOLVED FURTHER THAT the Board of Directors be authorized to deal with any issue arising out of the proposed issue in the best interest of the Company.”

6. Issue of further shares on preferential basis to Promoters and Associates.

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

“RESOLVED THAT pursuant to the provisions of Sections 62, and any other applicable provisions of the Companies Act, 2013 read with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 and any applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, any other applicable laws, Regulations, policies or guidelines, the provisions of the Memorandum and Articles of Association of the Company, the Foreign Exchange Management Act, 2000 (‘FEMA’) and the relevant Rules there under and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the “SEBI ICDR Regulations”), Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI Takeover Regulations”), and amendments thereto the regulations/guidelines, if any, prescribed by the Reserve Bank of India (“RBI”), the Foreign Investment Promotion Board (“FIPB”), the Securities and Exchange Board of India (“SEBI”), the Government of India (“GoI”) and all other relevant statutory, Governmental Authorities or Departments, Institutions or Bodies in this regard (collectively, the “Appropriate Authorities” and individually, the “Appropriate Authority”) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of them while granting such approvals, consents, sanctions and permissions as may be necessary or which may be agreed to, by the Board of Directors of the Company (the “Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution), to create, offer, issue and allot, from time to time, in one or more tranches, through a private placement and / or any other nature of offerings as may be permitted under applicable laws; 2,48,39,485 (Two Crore Forty Eight Lakhs Thirty Nine Thousand Four Hundred Eighty Five Only) Equity Shares of Rs. 10/- (Rupees Ten only) each of the Company at a price of Rs. 15 (Rupees Fifteen only) per Share, to Promoters and their associates, as detailed under the Explanatory Statement, item No.6.

RESOLVED FURTHER THAT the “Relevant Date” in relation to the issue of Equity Shares in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 would be August 08, 2016 being 30 days prior to the date of passing of this resolution.

RESOLVED FURTHER THAT the issue of Equity Shares as above shall be subject to lock in as applicable under SEBI Guidelines in this behalf.

RESOLVED FURTHER THAT the Board be and is hereby authorized in its entire discretion to decide to proceed with the issue of the Equity Shares and for the purpose of giving effect to this issue or allotment of Shares, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, including but without limitation, appointment of consultants, solicitors, merchant bankers or any other agencies as may be required and entering into arrangements for listing, trading, depository services and such other arrangements and agreements, as may be necessary and also to seek listing of the Equity Shares representing the same in any Stock Exchange (s) with power on behalf of the Company, to settle any questions, difficulties or doubts that may arise in regard to any such issue, offer or allotment of Equity Shares and in complying with any Regulations, as it may in its absolute discretion deem fit, without being required to seek any further clarification, consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board of Directors be authorized to deal with any issue arising out of the proposed issue in the best interest of the Company.”

By order of the Board
For OPTO CIRCUITS (INDIA) LIMITED
Supriya Kulkarni
Company Secretary
Membership No A22794

Place : Bengaluru
Date : July 29, 2016

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NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. A proxy in order to be valid should be duly completed and stamped and deposited with the company at the registered office at least 48 hours before the commencement of the meeting. Proxy submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution / authority, as applicable. Blank proxy form and attendance slips are enclosed with this notice.
3. A person can act as proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.
4. Members/Proxies are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting along with their copy of Annual Report to attend the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 with respect of business under item nos. 3 to 6 as set out in the Notice is annexed hereto.
7. Pursuant to provisions of Section 91 of Companies Act, 2013, The Register of Members and the Share Transfer Books will remain closed from September 05, 2016 to September 07, 2016 (both days inclusive).
8. Members desiring information as regard to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
9. Members whose shareholding is in the electronic mode are requested to inform the change of address and update the Bank account details to their respective Depository Participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends in future.
10. Members are requested to address all correspondence to the Register and Share Transfer Agent of the Company, M/s. Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032. E mail: mailmanager@karvy.com.
11. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company or the Registrar and Share Transfer Agents of the Company, M/s. Karvy Computershare Private Limited, Members are requested to note that dividends not encashed or not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be, as per Section 205A of the Companies Act, 1956, (Section 124 of the Companies Act, 2013) be transferred to the Investors Education and Protection Fund.
12. In respect of Shares held by companies, trusts, societies etc., the authorized representatives are requested to bring a duly certified copy

of the Board Resolution / Appropriate authorization with their specimen signature(s) duly attested for attending the meeting.

13. The Securities and Exchange Board of India (SEBI) has mandated submission of the Permanent Account Number. (PAN) by every participant in the securities market members holding shares in the electronic form are, therefore, requested to submit their PAN to their Depository Participants. Members holding shares in physical form are required to submit their PAN details to the Company.
14. Members are requested to note that, entry to the meeting hall/premises is strictly restricted to the members/beneficial owners holding duly filled in attendance slip and proxies holding valid proxy forms.
15. With a view to using natural resources responsibly, we request share holders to register their e-mail id with Depository Participants for receiving all communications from the Company including Notice of the Annual General Meeting and Annual Reports through electronic mode.
16. All documents refer to in the Notice will be available for the inspection at the Company's registered office during normal Business hours on a normal working days up to the date of AGM.
17. Members may also note that the notice of the 24TH Annual General Meeting and the Annual Report Financial Year 2015-16 will be available on the Company's web site, www.optoindia.com.
18. Only bona fide members of the Company whose names appear in the Register of Members/Proxy Holders in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non members from attending the meeting.
19. Mr.Vijayakrishna KT, Practicing Company Secretary, Bangalore (Membership No. 1788) has been appointed as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
20. The Scrutinizer shall within a period of not exceeding Forty Eight hours from the conclusion of the-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to Chairman or designated Director or KMP of the Company.
21. The results of Annual General Meeting shall be declared Forty Eight hours from the conclusion of the Annual General Meeting. The e-voting along with the Scrutinizer's Report shall be placed on the Company's website www.optoindia.com and on the website of Karvy. The results will also be communicated to the Stock Exchange(s) where the Shares of the Company are listed.
22. Further, members may note the following:
 - a. Remote e-voting shall not be allowed beyond the said date and time.
 - b. The Company is providing facility to vote on a poll to the members present at the meeting.
 - c. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - d. A person whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting in the General Meeting.
23. In compliance with section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules 2014, substituted by Companies (Management and Administration) Amendment Rules 2015 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has providing facility for e-voting to all the members. A separate e-voting instructions slip has been sent explaining the process of e-voting with necessary user id and password along with procedure for such e-voting. Such e-voting facility is in addition to the voting through Ballot Paper that may take place at the meeting venue on September 07, 2016. The members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again.
24. Additional information pursuant to Regulation 36 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking appointment / re-appointment at the AGM is as follows:

Name of the Director	Mr. Thomas Dietiker	Mr. Somadas GC
Date of Birth	11/12/1961	08/09/1952
Date of appointment	03/04/2000	26/04/2016
Relationship with other Director	NA	NA

Expertise in Specific Functional area	The Swiss born Thomas Dietiker, who is an American Citizen, is a co-promoter to 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.	Mr.G.C.Somadas has a vast experience, as a practicing Chartered Accountant for over four decades and has a wide exposures in areas of Statutory Audits, Internal Audit, Stock Audit, Revenue Audits and C&AG audits, Tax Audit and various representation before IT Appellate Authorities, Company Law Board, Stock Exchange / SEBI adjudication or arbitration proceeding, RBI & related statutory authorities.
Qualification	Electronic Engineer	BSc., FCA,
Directorship in other companies	Nil	Advanced Micronic Devices Ltd.,
Membership of the Committees of the Board Committees in all Companies	Nil	Membership: 2 (Two) Chairman of Audit & Risk Management Committee of Opto Circuits (India) Ltd., & Chairman of Audit & Risk Management Committee of Advanced Micronic Devices Ltd.,
Shareholding in the Company*	13076150	NIL

*As on 31st March 2016.

Considering the working knowledge, qualifications and experience of above directors, it would be in the interest of the Company to appoint/re-appoint them as Directors of the Company.

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

Supriya Kulkarni
Company Secretary
Membership No A22794

Place: Bengaluru

Date: July 29, 2016.

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

The following statement sets out all material facts relating to certain Ordinary Business and all the Special Businesses mentioned in the accompanying Notice:

Item No.3

Though not statutorily required, the following is being provided as additional information to the members.

Based on the recommendation of Audit and Risk Management Committee, the Board of Directors appointed Messrs. B.V.Swami & Co, Chartered Accountants, Bangalore as Statutory Auditors for the Financial Year 2015- 2016, to fill up the casual vacancy in place of M/s Anand Amaranth & Associate, Chartered Accountants, Bangalore, with effect from May 30th 2016.

Casual vacancy caused by the reason other than resignation of auditors can be filled up by the Board and Auditor appointed by Board shall hold office till the conclusion of ensuing Annual General Meeting.

As the term of Messrs. B.V.Swami & Co, Statutory Auditor, comes to an end at the conclusion of ensuing Annual General Meeting, approval of members is sought at the ensuing 24th Annual General Meeting to appoint Messrs. B.V.Swami & Co, Chartered Accountants, Bangalore as Statutory Auditors for the Financial Year 2016- 17.

Messrs. B.V.Swami & Co, Chartered Accountants, have conveyed their consent to be appointed as the Statutory Auditors of the Company. Accordingly, ordinary resolution is submitted to the meeting for the consideration and approval of members.

None of the Directors, Key managerial persons or their relatives, in any way, concerned or interested in the said resolution.

Item No.4

The Board of Directors vide its resolution dated April 26, 2016 appointed Mr.Somadas GC (DIN : 00678824) as Additional Director of the Company, in the capacity of Independent Director. Mr.Somadas GC holds office up to the date of this Annual General Meeting, and is eligible for appointment as Director

In terms of section 160 of the Companies Act, 2013, the Company has received notice in writing from member proposing the candidature of Mr.Somadas G.C for appointment as Independent Director as per the provisions of sections 149 and 152 of the Companies Act, 2013. Mr.Somadas G.C has given declarations to the Board of Directors of the Company, meeting the criteria of Independence as required under Section 149 of the Companies Act, 2013. In the opinion of the Board of Directors, Mr.Somadas G.C fulfils the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as Independent Director of the Company and is independent of the management.

The Board considers that his continued association would be of immense benefits to the Company and it is desirable to continue to avail the service as Independent Director.

Except Mr.Somadas G.C, being appointee or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at item No. 4.

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

The Board of Directors recommends the resolution at Item No. 4 for approval of the Members.

Item No.5 & 6.**Item No. 5 - Issue of further shares on stock swap basis to the shareholders of Opto Eurocor Healthcare Limited.**

Your Company holds 6,40,00,000 Equity Shares of Rs10/- each in Opto Eurocor Healthcare Limited (OEHL), constituting 94.92% of its Share Capital and hence OEHL is a subsidiary of the Company. OEHL's business has been growing and has huge potential to scale up. Your Directors have thought it fit to acquire the said Equity Shares in OEHL held by some of the Shareholders therein who had invested long back in OEHL and those who are known to the Promoters. This will enable your Company to have complete control over OEHL with full flexibility to align the business and to enable any kind of integration or such other organizational restructuring opportunities.

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

The Valuation Reports of Opto Eurocor Helathcare Limited obtained from Messrs Ishwar & Gopal, Chartered Accountants, Bangalore are kept open for inspection by the Members.

Your Board at its Meeting held on July 29, 2016, subject to the approval of Shareholders, approved the proposal of issue 8,89,10,406 (Eight Crores Eighty Nine Lakhs Ten Thousand Four Hundred Six Only) Equity Shares of Rs 10/- each of the Company at a price of Rs.15 Per Share, in exchange for 34,19,631 (Thirty Four Lakhs Nineteen Thousand Six Hundred Thirty One Only) number of fully paid up Equity Shares of Rs. 10/- each in Opto Eurocor Healthcare Limited, a Subsidiary of the Company, based on the valuation of the said Shares.

The identity of the proposed allottee/s and the percentage of post preferential issue capital that may be held by the allottee/s would be as follows.

SI.No	NAME OF THE PROPOSED ALLOTTEE	NO OF SHARES (PROPOSED ALLOTMENT)	PRE ISSUE HOLDING	% OF TOTAL EQUITY	POST ISSUE HOLDINGS	% OF TOTAL EQUITY
1	Usha Ramnani	26,000	95,85,176	3.96	96,11,176	2.75
2	Rajkumar Raisinghani	26,000	93,700	0.04	1,19,700	0.03
3	Mr. Gautam	65,00,000	68,118	0.03	65,68,118	1.88
4	Gobind Rupchand Gumnani	26,00,000	8,72,513	0.36	34,72,513	0.99
5	Hiten C Patel	97,500	0.00	0.00	97,500	0.03
6	Venkat Ramnan Hariharan	32,500	29,900	0.01	62,400	0.02

7	Vasant Chimanbhai Patel	2,60,000	0.00	0.00	2,60,000	0.07
8	Mr. Bavesh Patel/ Mrs. Chhaya Patel	64,038	0.00	0.00	64,038	0.02
9	Haider Mohamedally Sithawala, Zubeda Haider Sithawala	1,80,700	8,54,938	0.35	10,35,638	0.30
10	Dr. Kamal Bose/ Dr. Pushpa Bose	2,57,738	0.00	0.00	2,57,738	0.07
11	Shabbir Hakimuddin Hassanbahi/ Shanneaaza Hassanbahi	1,80,544	2,90,953	0.12	4,71,497	0.14
12	Ashok vittal	64,142	0.00	0.00	64,142	0.02
13	Mr. T. Thomas	26,00,000	0.00	0.00	26,00,000	0.74
14	Veenus Thermocol Pvt Ltd	1,14,66,312	0.00	0.00	1,14,66,312	3.28
15	Shabari Investments Pvt Ltd	1,62,500	3,300	0.00	1,65,800	0.05
16	Arty Patel	26,000	0.00	0.00	26,000	0.01
17	Jayesh C Patel	1,23,500	1,18,15,983	4.88	1,19,39,483	3.42
18	Patel Kamalakshi Jagadish	52,000	0.00	0.00	52,000	0.01
19	Usha Chandrakant Patel	13,00,000	0.00	0.00	13,00,000	0.37
20	Rajesh B Gupte	39,000	0.00	0.00	39,000	0.01
21	Kavita Doulat Bhojwani	3,21,100	60,000	0.02	3,81,100	0.11
22	Suryakant D Patel/ Sarlaben S Patel	26,000	0.00	0.00	26,000	0.01
23	Brijesh S Patel/ Jashmina B Patel	27,950	0.00	0.00	27,950	0.01
24	Amal R Patel/ Kinnari A Patel	26,000	0.00	0.00	26,000	0.01
25	Nishita Patel	1,43,000	0.00	0.00	1,43,000	0.04
26	Pratik Arvindbahi Desai	3,90,000	546	0.00	3,90,546	0.11
27	Jawahar H Hemrajani	65,000	0.00	0.00	65,000	0.02
28	Mrs. Vinne Jawahar Hemarajani	65,000	0.00	0.00	65,000	0.02
29	Sharmila Dinesh Khare & Dr. Dinesh Avshkhare	32,500	4,000	0.00	36,500	0.01
30	Dakshayni Suresh	13,000	0.00	0.00	13,000	0.00
31	M.R Parvathamma	13,000	0.00	0.00	13,000	0.00
32	Usha Jayachandra	13,000	0.00	0.00	13,000	0.00
33	P. Jayachandra	6,500	0.00	0.00	6,500	0.00

34	Bharathi. N	6,500	0.00	0.00	6,500	0.00
35	Aspi Eruch Patrawalla	19,500	994	0.00	20,494	0.01
36	Indira Balakrishna	19,500	2,652	0.00	22,152	0.01
37	Siddharth Guruprakash Ballupet	6,500	0.00	0.00	6,500	0.00
38	Sharada Bai Patil	6,500	2,652	0.00	9,152	0.00
39	Bhavani Kailash	6,500	2,652	0.00	9,152	0.00
40	Manohar M.K	6,500	2,015	0.00	8,515	0.00
41	K. Vatsala	13,000	0.00	0.00	13,000	0.00
42	C. Konagasabapathy	3,250	0.00	0.00	3,250	0.00
43	K. Manivannan	3,250	0.00	0.00	3,250	0.00
44	Swathi Shetty	9,100	637	0.00	9,737	0.00
45	A Suresh	6,500	0.00	0.00	6,500	0.00
46	Kalpana Jayaram	13,000	0.00	0.00	13,000	0.00
47	S.B. Ravi Shankar Gowda	3,250	663	0.00	3,913	0.00
48	Sheela Gowda	13,000	0.00	0.00	13,000	0.00
49	M.P Sathyavathi	3,250	0.00	0.00	3,250	0.00
50	Seema Rao Sirivara	4,87,500	0.00	0.00	4,87,500	0.14
51	B.K. Raghuv eer	1,62,500	0.00	0.00	1,62,500	0.05
52	Anand V.T	48,750	1,000	0.00	49,750	0.01
53	Neelaksh Mahajan	48,750	0.00	0.00	48,750	0.01
54	Deepak Mamtani/ Chandra Mamtani	32,500	4,25,480	0.18	4,57,980	0.13
55	Chandra Mamthani/ Tirath Mamthani	32,500	3,96,564	0.16	4,29,064	0.12
56	Tirath Mamtani/Sneha Mamtani	32,500	0.00	0.00	32,500	0.01
57	Menaka Hinduja	9,750	500	0.00	10,250	0.00
58	Ravi Goel- Karta (Ravi Goel & Sons-HUF)	3,250	1,410	0.00	4,660	0.00
59	Natwar Gokaldas Thakrar/ Jayshree N Thakrar	32,500	0.00	0.00	32,500	0.01
60	B.S Hamsa Raj	32,500	0.00	0.00	32,500	0.01

61	RRS Shares & Stock Brokers Pvt. Ltd.,	32,500	0.00	0.00	32,500	0.01
62	Jayesh B Gandhi	32,500	0.00	0.00	32,500	0.01
63	Sejal B Kamani	13,000	0.00	0.00	13,000	0.00
64	Umesh M Shah	32,500	0.00	0.00	32,500	0.01
65	Nilesh K Shah	13,000	0.00	0.00	13,000	0.00
66	Hetal H shah	13,000	0.00	0.00	13,000	0.00
67	Hemant Kumar Hasmukhlal Shroff/ Kalpana Hemant Kumar Shroff	13,000	0.00	0.00	13,000	0.00
68	Janesh Kumar Premnath Gulati	26,000	0.00	0.00	26,000	0.01
69	Nilesh Suresh Dhanani	65,000	0.00	0.00	65,000	0.02
70	Namrata Mehta/ Umesh Mehta	32,500	864	0.00	33,364	0.01
71	Samir Saraiya/Bhavna Saraiya	32,500	1,893	0.00	34,393	0.01
72	Vasantlal M Shah/ Kailas Vasanth Shah	13,000	0.00	0.00	13,000	0.00
73	Rajinder Singh Khurana	1,95,000	0.00	0.00	1,95,000	0.06
74	Dilip R Raghani	1,95,000	0.00	0.00	1,95,000	0.06
75	Supriya Sumesh Khanna/ Sumesh Ramanlal Khanna	65,000	0.00	0.00	65,000	0.02
76	Nayaab Sumesh Khanna	65,000	0.00	0.00	65,000	0.02
77	Aaksha Sumesh Khaana	65,000	0.00	0.00	65,000	0.02
78	Lata Bhajan Lulla	39,000	2,178	0.00	41,178	0.01
79	Chandra Balachand Lulla	26,000	0.00	0.00	26,000	0.01
80	Girdhari Sirumal Pinjani	32,500	195	0.00	32,695	0.01
81	Asha Pahilajrai Vachhani	1,30,000	0.00	0.00	1,30,000	0.04
82	Jairam G Chanchlani	6,50,000	0.00	0.00	6,50,000	0.19
83	Jagdish Dayaram Nankani	1,30,000	9,945	0.00	1,39,945	0.04
84	Puja V Taksali	32,500	0.00	0.00	32,500	0.01
85	Deepak V Keshwani HUF	3,25,000	0.00	0.00	3,25,000	0.09
86	Gope V Keswani	32,500	0.00	0.00	32,500	0.01
87	Gobind Rupchand Gumnani	19,50,000	8,72,513	0.36	28,22,513	0.81

88	Suleman Adam Merchant	3,25,000	2,80,160	0.12	6,05,160	0.17
89	Prerna Bhupendra Badhe	19,500	9,981	0.00	29,481	0.01
90	Pankaj Dilip Patel/ Ashvin Chunilal Patel	7,800	0.00	0.00	7,800	0.00
91	Harshul Dilip Patel	65,000	6,115	0.00	71,115	0.02
92	Sharda chunilal Patel/ Ashvin Chunilal Patel	6,500	0.00	0.00	6,500	0.00
93	Dr. Yusuf Merchant	32,500	0.00	0.00	32,500	0.01
94	Dr. Avanish R Rajan/ Dr. Sanhita A Rajan	13,000	0.00	0.00	13,000	0.00
95	Kavitha Ramnani	6,500	1,989	0.00	8,489	0.00
96	Meera Ramnani	9,750	50,321	0.02	60,071	0.02
97	Anand Ramnani	13,000	41,570	0.02	54,570	0.02
98	Mahesh Chandrakant Patel	32,500	0.00	0.00	32,500	0.01
99	Dr. Nishit Choksi	8,27,840	0.00	0.00	8,27,840	0.24
100	Abbas Rajabally Bharmal	13,000	0.00	0.00	13,000	0.00
101	V.R Thermo Devices Pvt. Ltd	3,95,408	15,529	0.01	4,10,937	0.12
102	Uma.S Keshwani	3,25,000	0.00	0.00	3,25,000	0.09
103	Kiran S Vachhani	1,62,500	0.00	0.00	1,62,500	0.05
104	Cerramatter Online Services Pvt Ltd	3,90,00,000	0.00	0.00	3,90,00,000	11.17
105	Avina Gobind Gumnani	56,44,730	80,689	0.03	57,25,419	1.64
106	Kabir Gobind Gumnani	27,36,838	5,30,484	0.22	32,67,322	0.94
107	Anna Thomas Chacko	60,97,676	28,39,442	1.17	89,37,118	2.56
108	Renuka Prasad B M	1,02,622	0.00	0.00	1,02,622	0.03
109	Ravikumar M S	61,568	0.00	0.00	61,568	0.02
110	V.R. Sastry	41,028	0.00	0.00	41,028	0.01
111	Ramaswamy Narayan Prasad	4,57,522	1,21,093	0.05	5,78,615	0.17

Item No. 6 - Issue of further shares on preferential basis to Promoters and Associates.

Your Board at its Meeting held on July 29, 2016, subject to the approval of Shareholders, approved the proposal of issue 2,48,39,485 (Two Crore Forty Eight Lakhs Thirty Nine Thousand Four Hundred Eighty Five Only) Equity Shares of Rs. 10/- (Rupees Ten only) each of the Company at a price of Rs. 15 (Rupees Fifteen only) per share, to Promoters and their associates, against the monies outstanding in the books of accounts.

The identity of the proposed allottee/s and the percentage of post preferential issue capital that may be held by the allottee/s would be as follows.

SI.No	NAME OF THE PROPOSED ALLOTTEE	NO OF SHARES (PROPOSED ALLOTMENT)	PRE ISSUE HOLDING	% OF TOTAL EQUITY	POST ISSUE HOLDINGS	% OF TOTAL EQUITY
1.	Vinod Ramnani	40,00,000	34043581	14.05	3,80,43,581	10.90
2.	Usha Ramnani	30,00,000	9585176	3.96	1,25,85,176	3.61
3.	Valiveti Bhaskar	85,74,681	2363407	0.98	1,09,38,088	3.13
4.	Jayesh Patel	49,63,196	11815983	4.88	1,67,79,179	4.81
5.	Thomas Dietiker	26,15,230	13076150	5.40	1,56,91,380	4.50
6.	Pushpa Bose	5,59,642	2778061	1.15	33,37,703	0.96
7.	Amit Motiani	1,84,308	836042	0.35	10,20,350	0.29
8.	Doulat Bhojwani	1,82,843	24215	0.01	2,07,058	0.06
9.	Ritwik Investment Pvt Ltd	1,70,656	1038722	0.43	12,09,378	0.35
10.	Bhagwan P Ramnani	1,56,631	796157	0.33	9,52,788	0.27
11.	Usha Chandrakant Patel	1,17,737	0	0.00	1,17,737	0.03
12.	K.P. Ramnani	68,263	341312	0.14	4,09,575	0.12
13.	V.R. Opto Electronics	68,263	211312	0.09	2,79,575	0.08
14.	Ritvik Investments	62,574	0	0.00	62,574	0.02
15.	Usha C Patel	59,428	0	0.00	59,428	0.02
16.	Suleman A Merchant	56,033	280160	0.12	3,36,193	0.10

Shareholding pattern before and after the offer proposed at Resolution Nos. 5 & 6 and based on the Shareholding pattern as on June 30, 2016 is as under:

PARTICULARS	PRE OFFER SHAREHOLDING	%	PREFERENTIAL OFFER	POST OFFER SHAREHOLDING	%
1. Promoter and Promoter Group	68520890	28.28	14727926	83248816	23.38
SUB TOTAL (1)	68520890	28.28	14727926	83248816	23.38
2. Non Promoters					
a. Mutual Fund	0	0	0	0	0.00
b. Banks	4409776	1.82	0	4409776	1.24
C. Corporate Bodies	22229767	9.17	51358213	73587980	20.67
d. NRI	19037967	7.86	33278419	52316386	14.69
e. FII	1886306	0.78		1886306	0.53
f. Foreign Companies	0	0.00		0	0.00

g. Public including Clearing Members, Limited Liability Partnership and Trust	126234701	52.09	14385333	140620034	39.49
SUB TOTAL (2)	173798517	71.72	99021965	272820482	76.62
TOTAL (1+2)	242319407	100	113749891	356069298	100

Proposed time limit within which the allotment shall be complete.

Within 15 days from the date of passing of this resolution or within 15 days from the date of receipt of any approval by any regulatory authority or Central Government, whichever is later as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time.

Issue Price.

The issue price of Rs. 15/- (including the premium of Rs. 5/- per Equity Share) is in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, and for the purpose of the above guidelines, the Relevant Date is August 08, 2016.

Auditor's Certificate.

A copy of the Certificate from a Company Secretary in Practice, certifying the adherence to SEBI Guidelines for preferential issues, under the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 for the proposed issue is open for inspection at the Registered Office of the Company till the date of Annual General Meeting.

Mr. Jayesh C Patel, Mr. Rajkumar Raisinghani, Dr. Suleman A Merchant, Dr. Suchitra Misra, Directors of the Company, (being proposed allottees) and their relatives, deemed to be interested in the Resolution No.5 and none of the other Directors and Key Managerial Persons or their relatives, in any way, concerned or interested in the said Resolution.

Mr. Vinod Ramnani, Mr. Jayesh C Patel, Mr. Thomas Dietiker, and Dr. Suleman A Merchant, Directors of the Company (being proposed allottees) and their relatives, deemed to be interested in the said Resolution no.6 and none of the other Directors and Key Managerial Persons or their relatives, in any way, concerned or interested in the said Resolution.

The Board of Directors recommends the resolutions at item no.5 and 6 for approval of members.

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

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

**Supriya Kulkarni
Company Secretary
Membership No. A22794**

Place : Bengaluru
Date : July 29, 2016

OPTO CIRCUITS (INDIA) LIMITED

CIN:L85110KA1992PLC013223

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

Website: www.optoindia.com, Email Id: ir@optoindia.com, Email: investorsservices@optoindia.com,

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

ATTENDANCE SLIP

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

Date & Time: September 07, 2016 at 11.30 AM

PLEASE FILL A 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 24th Annual General Meeting of the Company held on September 07, 2016 at 11.30 AM at Registered Office situated at Plot No.83, Electronic City, Hosur Road, Bangalore – 560 100



Signature of Member / Proxy

Note:

1. Electronic copy of the Annual Report for 2016 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 2016 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.

OPTO CIRCUITS (INDIA) LIMITED

(CIN-L85110KA1992PLC013223)

Regd. Office: Plot no, 83, Electronic city, Bangalore- 560 100

Website: www.optoindia.com, Email: investorsservices@optoindia.com

Phone Nos. 080-28521040/41/42, Fax: 080 - 28521094.

Form No.MGT-11

FORM OF PROXY

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

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

Date & Time: September 07, 2016 at 11.30 AM

PLEASE FILL A 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 Share 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 and vote (on a poll) for me / us and on my / our behalf at the 24th Annual General Meeting of the Company to be held on Wednesday, September 07, 2016 at 11.30 AM at Plot No.83, Electronic City, Hosur Road, Bangalore - 560 100, any adjournment their off in respect of such Resolutions as are indicated below:

SI No	Resolutions	Number of Shares held	For	Against
1	Adoption of the audited financial statement of the Company for the financial year ended March 31, 2016 and the Board's Report including Secretarial Audit Report and the Auditors Report thereon			
2	Re-appointment of Mr. Thomas Dietiker, retiring by rotation			
3	Appointment of Statutory Auditors of the Company.			
4	Appointment of Mr. Somadas G.C as an Independent Director			
5	Issue of further shares on stock swap basis to the shareholders of Opto Eurocor Healthcare Limited			
6	Issue of further shares on preferential basis to Promoters and Associates.			

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

Signature(s) Member(s)

1. _____
2. _____
3. _____

Signed this _____ Day of _____ 2016.

Notes:

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

SHAREHOLDERS INSTRUCTIONS FOR E-VOTING

The instructions for shareholders voting electronically are as under:

- i. The voting period begins on September 04, 2016 at 9.00 AM and ends on September 06,2016 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date August 31,2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The shareholders should log on to the e-voting website www.evotingindia.com.
- iii. Click on Shareholders.
- iv. Now Enter your User ID
 - a. for CDSL: 16 digits beneficiary ID
 - b. NSDL: 8 Character DP ID followed by 8 digits Client ID
 - c. Members holding shares in physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any Company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

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

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'password creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For members holding shares in physical form, the details can be used only for e-voting o the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant OPTO CIRCUITS (INDIA) LIMITED on which you chose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINE" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your

vote.

- xv. Once your 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "click here to Print" option on the Voting page.
- xvii. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- xviii. Note for Non-Individual Shareholders and Custodians
 - Non-individual shareholders (i.e. other than individuals, HUF, NRI etc) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xix. In case you have any queries or issues regarding e-voting, you may refer the frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write to helpdesk.evoting@cdslindia.com.

