



SENSING TECHNOLOGY

ANNUAL REPORT
2016-17

BOARD OF DIRECTORS

Vinod Ramnani, Chairman
Somadas G.C, Managing Director
Jayesh C Patel, Director
Thomas Dietiker, Director
Dr. Suleman Adam Merchant, Director
Rajkumar Raisinghani, Director
Dr.Suchitra Misra, Director
Nanjappaiah Madgondapalli Ramu, 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

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

BANKERS

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

25TH ANNUAL GENERAL MEETING

Day & Date: Tuesday, September 05,2017.
Time: 11:00 Am
Venue: # 83, Electronics City,
Bengaluru 560 100, Karnataka, India

GROUP WEBSITES

www.optoindia.com | www.amdcorp.com |
www.csiusa.com
www.devonath.com | www.eurocor.de |
www.mediainc.com | www.optoeurocor.com |
www.ormedortho.com | www.unetixs.com

BOARD'S REPORT

To
The Members,

Your Board is pleased to present the 25th Annual Report on the business and operations of Opto Circuits (India) Limited, together with the Financial Statements of your Company for the year ended March 31, 2017.

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("IndAS ") as prescribed under section 133 of the Companies Act, read with the Companies (Indian Accounting Standards) Rules, 2015 with effect from April 1, 2016. Financial statements for the year ended as at March 31, 2016 have been restated to conform to Ind AS.

FINANCIAL HIGHLIGHTS:

₹ in Lakhs

Particulars for the year ended March 31 st	STANDALONE		CONSOLIDATED	
	2017	2016	2017	2016
Revenue from operations				
Sales/Income from Operations	5,038.01	7,667.15	21,410.73	31,158.96
Other income (net)	-	-	118.47	138.68
Total income	5,038.01	7,667.15	21,529.19	31,297.65
Expenses				
Operating Expenditure	2,802.82	4,433.90	13,802.31	22,378.00
Depreciation and amortization expenses	879.45	949.60	1603.40	4,136.71
Other expenses	735.09	887.61	27,627.13	8,236.89
Total expenses	4,417.36	6,271.11	43,032.84	34,751.59
Profit from Operations before other income, Finance Cost and Exceptional Items	620.65	1,396.04	(21,503.64)	(3,453.95)
Other income	16.99	0.36	69.51	3,380.51
Finance Cost	(785.21)	(3,151.68)	(1707.14)	(4,366.33)
Exceptional Items	(36,256.56)	-	(26,178.36)	4,360.65
Profit before tax	(36,404.14)	(1,755.28)	(49,319.64)	(79.11)
Tax Expenses	-	(46.58)	(1,510.84)	(114.91)
Net Profit / (Loss) after tax	(36,404.14)	(1,801.86)	(50,830.48)	(194.01)
Other comprehensive income				
Minority interest	-	-	(176.76)	(48.63)
Total Comprehensive income	(36,404.14)	(1,801.86)	(51,007.24)	(242.64)
Earnings Per Share				
Basic	(15.02)	(0.74)	(21.05)	(0.10)
Diluted	(15.02)	(0.74)	(21.05)	(0.10)

COMPANY'S PERFORMANCE ON STANDALONE BASIS

Standalone Total Revenue was at Rs. 5,038.01 Lakhs for the financial year ended 31st March 2017 as against Rs. 7,667.51 Lakhs for the corresponding financial year ended March 31, 2016, a decline of 34%. Standalone profit/ (Loss) after tax for the financial year ended 31st March 2017 is at Rs. (36,404.14) lakhs as against Rs. 1,801.86) lakhs for the corresponding period financial year ended March 31, 2016. Earnings per share for the year ended 31st March 2017 is at Rs (15.02) Basic.

ON CONSOLIDATED BASIS

Consolidated revenue is at Rs. 21,410.73 Lakhs for the financial year ended 31st March 2017 as against Rs. 31,158.96 lakhs for the corresponding period of financial year 2016. Consolidated profit after tax for the year ended 31st March 2017 is at Rs. (50,830.48) lakhs, as against Rs. (194.01) lakhs for the corresponding period of financial year 2016. Earnings per share for the year ended 31st March 2017 is at Rs (21.05) Basic.

DIVIDENDS

Your Directors have not recommended any dividend for the year ended 31st March 2017.

TRANSFER TO RESERVES

An amount of Rs. (36,404.14) lakhs is proposed to be retained in the Statement of Profit and Loss.

CHANGES IN SHARE CAPITAL

There is no change in the authorized, 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.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES:

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

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

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

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

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY OVERVIEW

Medical devices are an eminent part of the healthcare sector. The medical device industry includes devices which simplify the prevention, diagnosis and treatment of diseases and illnesses. The devices range from pacemakers, dialysis machines to thermometers, vital signs monitors, and pulse oximetry sensor which are used in diverse primary, secondary and tertiary medical establishments. North America is the largest market accounting for over 40% followed by Europe

and rest of the World. In rest of the World, developing economies in particular China, India, Africa, Middle East and Brazil have been growth contributors over the past couple of years.

While an aging population, chronic lifestyle diseases, expansion of emerging markets and advances in technology are expected to drive growth, however there are certain factors which are considerably altering the healthcare demand and delivery landscape.

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

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

profiles (lifestyle diseases), greater penetration of health insurance, government focus on healthcare infrastructure development and arising 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 art patient monitoring systems. Your Company's products include automated patient monitoring devices and services, vital signs monitors, pulse oximeters and peripheral artery disease diagnostic equipment.

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

STRENGTHS OF YOUR COMPANY

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

and hospitals. Further your company believes that our long term relationships and the quality of our customer base is a key strength that enables us to expand our business and operations.

BUSINESS PERFORMANCE ANALYSIS CONSOLIDATED

The Company reported consolidated Sales of Rs 215.98 Crores in Financial Year 2016-17, a decline of 37% over Rs 346.78 Crores Sales reported in Financial Year 2015-16.

The decline in sales can be attributed to partly the hostile takeover of CSC & CSI reported elsewhere, causing CSC & CSI not to be step down Subsidiaries of Opto Circuits (India) Limited, hence the entire revenues of CSC & CSI 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 Operating Loss of Rs 8.80 Crores for the Financial Year 2016-17 [as against an Operating Loss of Rs 44.39 Crores for the Financial Year 2015-16] before the Exceptional Items. Exceptional items account for Rs 498 Crores for the Financial Year 2016-17, comprising of:

Opto Circuits [India] Ltd- Rs 362.50 Crores on account of Rs 222 Crores towards Provision for Bad & Doubtful debts, provision for non moving Stock amounting to Rs 140 Crores;

Advanced Micronic Devices Ltd-Rs 14.29 Crores -Past Tax liability provided

Opto Cardiac Care Ltd-Rs 76.50 Crores -being provision for Bad & Doubtful Debts

Opto Eurocor Health Care Ltd -Rs 45.30 Crores , comprising of Rs 37.30 Crores non moving stock Provisioning and Rs 8.00 Crores reversal of Forex.

After providing for the above exceptional items, the Company [consolidated] reported a Net Loss of Rs. 510 Crores in Financial Year 2016-17.

Further the Hostile takeover of two of the overseas Subsidiaries, vizz Cardiac Science Corporation, USA[CSC] &

Criticare Systems Inc, USA[CSI]by / though DBS Bank Ltd, have dented the Top Line apart from having a huge impact on the Cash flow and non moving stock specifically earmarked for these entities resulting in huge losses.

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

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

a] Declaring the Company as Willful defaulters

b] Classifying the company's loan account as sub standard or red flagged account

c] Appointing/ conducting any forensic audit in the precincts of the company.

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

The loan liability of Cardiac Science Corporation by secured lender DBS Bank Limited was sold by them to Aurora Capital through its Subsidiary CFS. The Shares of Criticare Systems Inc, had also been pledged to DBS, for additional lines granted by them to DBS. CFS has filed Chapter XI of the US Bankruptcy Code, in US Bankruptcy Courts in the Western District of Wisconsin of Cardiac Science Corporation, to facilitate Debt Restructuring and to protect itself from miscellaneous creditors. Opto Circuits (India) Limited and Opto Cardiac Care Limited as owners of Cardiac Science

Corporation are seeking appropriate legal recourse to protect the rights of the Shareholders. Your Directors are fighting the legal battle against 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.

During the Financial year, one of the Step down subsidiary company, viz N.S. Remedies Private Ltd, Kolkotta, subsidiary of Opto Eurocor Health Care Ltd was sold as there were no operations.

During the course of the Financial Year, one of the Subsidiary company, Opto Infrastructure Ltd have sold one of its property, viz Altron Hotel Electronics City for Rs. 32 Crores which was rendered as security to Standard Chartered Bank Ltd towards the working Capital facilities by the bank to the Company. Major part of the proceeds of the sale was paid to Standard Chartered Bank Ltd [Rs 20.79 Crores] towards part repayment of the OTS with Stanadard Chartered Bank Ltd[SCB]

The Company has suspended its operations in one of its Divisions at Vizag, SEZ w.e.f April 01, 2017 as an outcome of the losses suffered in Hud Hud Cyclone in Vizag and that the company's constant efforts to get the Insurance claim with the Insurance company did not yield positive results. The Company is taking effective steps including legal remedy to have its claims settled with the insurance company. Further the operations were impacted due to the hostile take over of two of its step down overseas subsidiaries, viz CSC, USA & CSI USA.

During the Financial Year Mr. Valiveti Bhaskar, Managing Director, Opto Eurocor Health Care Ltd, subsidiary of the Company retired from the services on 31st March 2017.

OPTO CIRCUITS [INDIA] LTD- STANDALONE FINANCIAL

The Company reported Sales of Rs. 50.55 Crores in Financial Year 2016-17, [previous Financial years Sales Rs 76.67 Crores, a decline of 34% over Previous Financial Year.

The Company reported an Operating Loss of Rs 1.47 Crores for the Financial Year 2016-17[Previous Financial year 2015-16 Operating Loss was Rs 17.49 Crores] before the Exceptional items. Exceptional Items for Financial Year 2016-17 was for Rs 362.56 Crores comprising of Rs 222 Crores towards Provision for Bad & Doubtful debts, provision for non moving Stock

amounting to Rs 140 Crores; After providing for Exceptional items , [Rs 362.56 Crores] the company reported a Net Loss of Rs 364 crores [for Previous Financial year 2015-16 -Net Loss was Rs 17.95 Crores]

Receivables -The Company has provided for Bad & doubtful debts with respect to Receivables which are over 3 years; This is despite constant efforts put in by the Management to recover the dues ; The Company would also seek the necessary approvals from Appropriate Regulatory Authorities for write off of these receivables over 3 years.

Non Moving/ Obsolete Stock- Due to the loss of Cardiac Science Corporation [CSC, USA]and Criticare Systems Inc[CSI, USA] , the stock both raw materials and work in progress meant for these two entities have piled up and were to be provided for in the books. The Company would seek the requisite approvals from Appropriate Regulatory Authorities for write off of these stock

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

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

The Management has submitted proposals for One Time Settlement [OTS] with Standard Chartered Bank Ltd, State Bank of India, HDFC Bank Ltd and Bank of Nova Scotia Ltd. With Standard Chartered Bank Ltd, based on the proposal for OTS submitted to SCB Ltd, the company has already Repaid Rs 20.79 Crores towards part settlement of OTS and the balance of Rs 62 Crores in a phased manner[3 years time] which is under consideration.

With State Bank of India, the Company has made a proposal for OTS and had already repaid Rs 2.50 Crores towards OTS [out of total OTS Proposal of Rs 86.50 Crores] and the balance amount with a schedule of repayment as submitted to SBI in 22 Months commencing from August 2017 and ending with May 2020 and that the proposal is with SBI for consideration.

With HDFC Bank Ltd and Bank of Nova Scotia Ltd, the company has submitted proposals for OTS which are under discussion and negotiation.

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

CONSERVATION OF ENERGY

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

FOREIGN EXCHANGE EARNINGS AND OUTGO.

Your Company earned Rs. 4,590.13 Lakhs in foreign exchange in the year under review.

Foreign Exchange outflow was Rs. 2,087.99 Lakhs.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

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

Having regard to the provisions of the 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 practicing 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, 2017 the applicable accounting standards have been followed and there are no material departures from the same.
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance the provisions of the Act for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on the going concerns basis.
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

LISTING OF SECURITIES

Your Company's Equity Shares continue to remain listed on BSE Limited and the National Stock Exchange of India Limited., 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 2017-18.

FIXED DEPOSITS

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTMENTS

Based on recommendations of Nomination and Remuneration Committee the Board appointed Mr. Nanjappaiah Madgondapalli Ramu (holding DIN: 07268616) as an additional Director in the category of Independent

Director, with effect from 16th April 2017 and approved the appointment of Mr. Somadas G.C (DIN: 00678824) as Managing Director for a period of three years effective from April 16, 2017, with remuneration subject to the approval of the Members.

RETIREMENT AND REAPPOINTMENTS

As per the provisions of the Companies Act, 2013, Dr.Suchitra Misra, (DIN: 02254365) & Mr.Vinod Ramnani (DIN 01580173) retires by rotation and being eligible, offers themselves for re-appointment at the ensuing Annual General Meeting. The Board of Directors recommends the appointment of Dr.Suchitra Misra and Mr.Vinod Ramnani as Director of the Company.

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

At the 22nd Annual General Meeting held on September 30, 2014, Mr.Rajkumar Tulsidas Raisinghani (DIN: 01411084), was appointed as an Independent Director of the Company to hold office till the conclusion of Annual General Meeting to be held in year 2017. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company approved, subject to Members' approval, re-appointment of Mr.Rajkumar Tulsidas Raisinghani as the Independent Director for a second term of five years to hold office up to the conclusion of the 30th Annual General Meeting of the Company, based on his experience, knowledge and outcome of performance evaluation.

The Company has received separate notices under section 160 from Members, along with the requisite deposit, signifying their intention to propose appointment of Mr. Nanjappaiah Madgondapalli Ramu (DIN: 07268616), Mr. Somadas G.C (DIN: 00678824) and reappointment of Mr.Rajkumar Tulsidas Raisinghani (DIN: 01411084), as mentioned in the preceding paragraphs. Accordingly, necessary resolutions are being placed for approval of the Members at the 25th Annual General Meeting of the Company.

The Directors seek your support in confirming the appointments of Directors in the ensuing Annual General Meeting.

RESIGNATION

Dr.Anvay Mulay resigned as Independent Director with effect

from close of business hours of January 04, 2017.

Mr.Vinod Ramnani resigned as Managing Director of the Company w.e.f. April 01, 2017 and continues to serve the organization as Non Executive Director & Chairman.

The Board places on record immense contributions made by Dr. Anvay Mulay and Mr. Vinod Ramnani to the growth of your Company over the years.

DECLARATION BY INDEPENDENT DIRECTOR

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

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

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

POLICY ON DIRECTORS APPOINTMENT REMUNERATION AND EVALUATION

Your Company has in place, the Nomination Remuneration and Evaluation Policy of the Company on Directors appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of Director and other matters provided under sub Section (3) of Section 178 of the Companies Act, 2013. The Policy also contains the evaluation 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 and as per Guidance Note on Board Evaluation issued by the Securities Exchange Board of India on January 05, 2017.

MEETING OF THE BOARD

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

COMMITTEES OF THE BOARD

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

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

AUDITORS

As the term of M/s. 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 25th Annual General Meeting to appoint M/s. B.V. Swami & Co., Chartered Accountants, Bangalore as Statutory Auditors for period of three years, to hold office till the conclusion of 28th Annual General Meeting.

M/s. 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 K.T., Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 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 August 01,2017 under the heading observations in points (a) to (c).

- a) 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.

b) The Company will ensure & take corrective action to

strengthen Secretarial standards & Certain provisions of the Act.

c) Extreme levels of care and caution will be exercised to ensure that such delays do not occur again.

RISK MANAGEMENT

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

INTERNAL FINANCIAL CONTROLS

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

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

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

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

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

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

The particulars of loans, guarantees, and investments have been disclosed in the financial statements.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility Committee (CSR

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

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

Due to non-availability of profits the Company was not required to spend any amount on CSR activities during the financial year 2016-17.

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 - Whistle Blower Policy.pdf>

POLICY ON DISCLOSURE OF MATERIAL EVENTS AND INFORMATION

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

The said policy is available on the website of the Company at <http://www.optoindia.com/pdf/OCIL - Policy on Disclosure of Material Event and Informationx.pdf>

POLICY ON PRESERVATION OF DOCUMENTS AND RECORDS

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

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

EXTRACT OF ANNUAL RETURN

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

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

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

SIGNIFICANT AND MATERIAL ORDERS

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

RESPONSE TO AUDITORS OBSERVATIONS

The Board of Directors of the company furnish following response to the Qualifications/observations made by the Auditors in their Report dated May 30, 2017 for the Standalone Financial Statements and Consolidated Financial Statements.

OPTO CIRCUITS[INDIA] LIMITED

OCIL Standalone-

AUDITORS OBSERVATION ON STANDALONE FINANCIAL STATEMENTS

The Board of Directors of the Company response to the Qualifications/ observations made by the Auditors in their Report dated 30th May 2017 for the Standalone Financial Statements under the heading Basis for Qualified Opinion in points [a] to [g.] and Response to Annexure to the Auditors Report Point [i] to [viii]

RESPONSE TO QUALIFIED OPINION:

a-i] Receivables:

The Company is constantly pursuing these long overdues with the Debtors and that the management has taken a stand for provisioning of receivables over 36 months , aggregating to Rs. 22,250 Lacs. The company will be seeking the requisite Regulatory approvals for write off of these receivables during the course of the current year.

a-ii] Payables:

With regard to the payables over 3 years, the company had taken up with the vendors and addressed certain inadequacies in the quality specifications with respect to the materials supplies by these vendors and the negotiations are underway to sort these out to arrive at a mutually acceptable settlement. It may further be noted that the payables over 3 years has come down from Rs 3,308 Lacs reported in last Financial Year [fy 2015-16] to Rs 1,229 Lacs in Financial Year 2016-17.

b] SEZ &Stock:

SEZ-Vizag -As reported in the Last Annual Report post the HudHud cyclone and its after effects, company's sustained efforts with the Insurance company to get the claim did not bear results; It may be noted that the company do not have any working capital funds to sustain its operations, though there is demand for the company's products. Further with the hostile takeover over of Cardiac Science Corporation , USA[CSC] & Criticare Systems Inc, USA[CSI] by and though the action of DBS Bank Ltd for whose behalf lot of materials were procured and stored as inventory could not be shipped, resulting in Sizable retention of Inventory [both raw materials and work in progress] got accumulated and these could not be sold/or exported , resulting in provisioning of these non-moving obsolete stock. The Company would be seeking the requisite approvals from Regulatory Authorities for write off of such block of stock during the course of the Current Year.

c] Bank Borrowings-NPA-OTS etc:

Noted . As explained, the company had submitted proposals for One Time Settlement [OTS] with Standard Chartered Bank Ltd, State Bank of India, HDFC Bank Ltd and Bank of Nova Scotia Ltd to reiterate its intention to repay the debts, despite suffering a severe setback due to loss of management control and companies [step down subsidiaries, viz CSC & CSI in USA as stated] resulting in sizable loss of revenue and resultant losses and business.

Standard Chartered Bank Ltd, the company has already Repaid Rs 20.79 Crores towards part settlement of OTS and the balance of Rs 62 Crores in a phased manner[3 years time] which is under consideration.

State Bank of India, the Company has already Paid Rs 2.50 Crores towards OTS [out of total OTS Proposal of Rs86.50 Crores] to be paid in 22 Months and that the proposal is under consideration.

With HDFC Bank Ltd and Bank of Nova Scotia Ltd, the company has submitted proposal which are under negotiation.

d] Investment in subsidiary- Opto Cardiac Care Ltd[OCCL] Noted . The company has taken up the matter with the Hon'ble Court in Bangalore, Karnataka and obtained Mandatory Injunction against DBS Bank Ltd.

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

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

e] Working Capital & Action by the Banks

As stated in para[c] as above, the company has already taken steps and submitted proposals for OTS with the Banks as detailed in para[c] and that the company is negotiating with the respective banks for an amicable settlement of the liabilities.

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

f] Advanced Micronic Devices Ltd[AMDL] - Noted.

The Company is taking efforts for a revival plan to revive the operations and will take stand on this matter during the course of the current financial year.

g] Impairment of Assets AS36

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

Response to Annexure to the Auditors Report[i] to [viii]

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

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

[iv] with respect to the Auditors Comments and observations in para [viii-a] to the Annexure, this is noted and in future no delays would occur.

AUDITORS OBSERVATION ON CONSOLIDATED FINANCIAL STATEMENTS

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 30th May 2017 for the Consolidated Financial Statements under the heading Basis for Qualified Opinion in points[1] to [12] and Response to Annexure to the Auditors Report Point [1] to [13]

RESPONSE TO QUALIFIED OPINION

1-a] Non movingstock :

The company is examining the quality of non moving stock and would take appropriate action in due course ; this to be read with our response para[b] as above under heading 'SEZ & Stock in Opto Circuits [India] Ltd Standalone Auditor's Report.

1-b]AdvancedMicronic Devices Ltd-Noted and that the management of Advanced Micronic Devices Ltd would take effective steps in this respect.

2. LONG OUTSTANDING RECEIVABLES/ PAYABLES

i] Receivables:

The Company is constantly pursuing these long overdues with the Debtors and that the management has taken a stand for provisioning of receivables over 36 months , aggregating to Rs 22,250 Lacs. The company will be seeking the requisite Regulatory approvals for write off of these receivables as needed during the course of the current year.

ii] Payables:

With regard to the payables over 3 years, the company

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

[b] & [c] Advanced Micronic Devices Ltd-

Noted the observation on receivables over 360 days and the company would take effective steps to recover the same . On payables, the company has taken up with the respective creditors seeking balance confirmation and awaiting response.

2 [d] & Point 4. Borrowings from Banks-NPA etc

As explained, the company had submitted proposals for One Time Settlement [OTS] with Standard Chartered Bank Ltd, State Bank of India, HDFC Bank Ltd and Bank of Nova Scotia Ltd to reiterate its intention to repay the debts, despite suffering a severe setback due to loss of management control and companies [step down subsidiaries, viz CSC & CSI in USA as stated] resulting in sizable loss of revenue and resultant losses and business.

Standard Chartered Bank Ltd, the company has already Repaid Rs 20.75 Crores towards part settlement of OTS and the balance of Rs 62 Crores in a phased manner[3 years time] which is under consideration.

State Bank of India, the Company has already Paid Rs 2.50 Crores towards OTS [out of total OTS Proposal of Rs86.50 Crores] to be paid in 22 Months and that the proposal is under consideration.

With HDFC Bank Ltd and Bank of Nova Scotia Ltd, the company has submitted proposal which are under negotiation.

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

3. INVESTMENT IN OPTO CARDIAC CARE LTD

Noted . Investment in OCCL is in turn towards its wholly owned overseas subsidiaries, viz CSC, USA & CSI, USA. It may be noted that the company has taken up the matter with the Hon'ble Court in Bangalore, Karnataka and obtained Mandatory Injunction against DBS Bank Ltd.

Further The Company also made a claim of USD 160.82

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

Further that the litigation is pending before the US Bankruptcy Courts and that 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.

5. ADVANCE TO AMDL

Advanced Micronic Devices Ltd[AMDL] - Noted. The Company is making efforts for a revival of its operations and will take stand on this matter during the course of the current financial year.

6. CRITICARE SYSTEMS [M] SDNBHD, MALAYSIA,

Noted.

Criticare Systems [M] SdnBhd, Malaysia, subsidiary of CSI USA and astep down subsidiary of Opto Cardiac Care Ltd have stopped operations in Malaysia and that no activity took place during the Year and not being material hence the financials were not available for such consolidation. of the assets and liabilities representing the investment.

7. IMPAIRMENT OF NON-CURRENT INVESTMENT/ INTANGIBLE ASSETS

[a] & [b] Please refer to our response in para[d] in Opto Circuits Stand alone Response.

[c] & [d]....

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

9. ADVANCED MICRONIC DEVICES LTD-USA BRANCH

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

10 & 11. ADVANCED MICRONIC DEVICES LTD

Noted . The company is taking effective steps to settle and

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

12. COMMENTS OF THE AUDITORS NOTED

INDUSTRIAL RELATIONS

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

DISCLOSURE UNDER THE SEXUAL HARSSMENT OF WOEMN 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 members internal complaints Committee (ICC) was set up from the senior management with women employees constituting majority. The ICC is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy. No complaints pertaining to sexual harassment was reported during the year.

ACKNOWLEDGEMENTS

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

On behalf of the Board of Directors

Vinod Ramnani
Chairman,
(DIN:01580173)

Somadas GC
Managing Director
(DIN:00678824)

Place: Bengaluru
Date: August 01, 2017

Form No. MR-3

ANNEXURE 1 - SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2017

[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 31.3.2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter; I have examined the books, papers, minute books, forms and returns filed and other records maintained by Opto Circuits (India) Limited., for the financial year ended 31.03.2017 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under
- (ii) The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules regulations made there under to the extent of Foreign Direct investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act ;)
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2009 and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations 1998;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) There are no specific laws applicable to the Company pursuant to the business carried by the Company.
- (vii) The other general laws as may be applicable to the Company including the following;
 - (1) **Employer/Employee Related laws & Rules:**
 - i. Industries (Development & Regulation) Act, 1951
 - ii. The Factories Act, 1948 (in case of manufacturing Companies, where applicable)
 - iii. The Employment Exchanges (Compulsory notification of Vacancies Act, 1959
 - iv. The Apprentices Act, 1961

OPTO CIRCUITS (INDIA) LIMITED

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

(2) Environment Related Acts & Rules:

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

3) Economic/Commercial Laws & Rules:

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

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

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

I further state that during the period under review and based on my verification of the records maintained by the Company and also on the review of compliance reports/statements by respective department heads/Chief Financial Officer/ Company Secretary taken on record by the Board of Directors of the Company, in my opinion, adequate systems and process and control

mechanism exist in the Company to monitor and ensure compliance with applicable labour laws, environmental laws and other applicable laws as mentioned above. Certain non material findings made during the course of the audit relating to the provisions of Companies Act, Labour Laws were addressed suitably by the Management. Following observations have been brought before the shareholders which are treated as material in nature:

- a) Certain returns/registers required to be filed/maintained under the above general laws are not maintained/'filed within prescribed time.
- b) Compliance on Secretarial Standards and certain provisions of the Companies Act needs to be strengthened.
- c) There were delays in payment of PF and ESI contribution in some months.

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

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

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

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

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

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

Signature:

VIJAYAKRISHNA KT

FCS No.: 1788

C P No.: 980

Place: Bengaluru

Date: August 01,2017

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: August 01,2017

Form No. AOC - 2

ANNEXURE 2

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

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

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

The Company has not entered into any contract/arrangement/transaction with its related parties which is not in ordinary course of business or at arm's length during FY 2017.

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

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

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

On behalf of the Board of Directors

Vinod Ramnani
Chairman,
(DIN:01580173)

Somadas GC
Managing Director
(DIN:00678824)

Place: Bengaluru

Date: August 01, 2017

OPTO CIRCUITS (INDIA) LIMITED

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

1. BRIEF OUTLINE OF CSR POLICY

The Board of Directors upon the recommendation of the Corporate Social Responsibility Committee has identified the areas listed in Schedule VII of the Companies Act, 2013 for carrying out its CSR activities. Opto Circuits (India) Limited believes that in alignment with its vision, it will continue to enhance value through its CSR initiatives and promote social sustainability, sustainable development of the environment and social welfare of the people and society at large, more specifically for the deprived and underprivileged persons.:

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

2. COMPOSITION OF CSR COMMITTEE

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

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

3. AVERAGE NET PROFITS

The average net profits, i.e. profits before tax of the Company during the three immediately preceding financial years were Rs.(5555.51) Lakhs.

4. PRESCRIBED CSR EXPENDITURE

The prescribed CSR expenditure was Rs. 111.11 Lakhs, i.e. 2% of the average net profits mentioned in point 3 above.

5. DETAILS OF CSR SPENT

Due to non-availability of profits the Company was not required to spend any amount on CSR activities during the financial year 2016-17.

6. RESPONSIBILITY STATEMENT

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

On behalf of the Board of Directors

Vinod Ramnani
Chairman,
(DIN:01580173)

Somadas GC
Managing Director
(DIN:00678824)

Place: Bengaluru
Date: August 01, 2017

ANNEXURE 4 - EXTRACT OF ANNUAL RETURN

FORM NO MGT - 9

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

REGISTRATION AND OTHER DETAILS

Corporate Identity Number (CIN) of the Company	L 8 5 1 1 0 K A 1 9 9 2 P L C 0 1 3 2 2 3
Registration date	June 08, 1992
Name of the Company	Opto Circuits (India) Limited
Category / Sub-category of the Company	Medical Technology & Consumables
Address of the registered office and contact details	No.83, Electronic City, Hosur Road, Bengaluru - 560 100, Karnataka, India, Tel: 91 80 28521040/41, Fax: 91 80 2852 1094, e-mail: investorservices@optoindia.com, website: www.optoindia.com
Listed Company (yes / No)	Yes
Name, address and contract details of Registrar and transfer agent	Karvy Computershare Private Limited Unit: Opto Circuits (India) Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032 Contact person: Ms. 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, 2017	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	87.06	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	94.93	Section 2(87)

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

(i) Category-wise shareholding

CATEGORY CODE	CATEGORY OF SHAREHOLDER	No of Shares held at the beginning of the year March 31, 2016				No of Shares held at the beginning of the year March 31, 2017				% change during the year.		
		Demat		% OF TOTAL SHARES		Demat		% OF TOTAL SHARES				
		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		55,196,312	22.78				-0.10
(b)	Central Government/State Government(s)	0		0	0.00		0	0.00				0.00
(c)	Bodies Corporate	0		0	0.00		0	0.00				0.00
(d)	Financial Institutions / Banks	0		0	0.00		0	0.00				0.00
(e)	Others	0		0	0.00		0	0.00				0.00
	Sub-Total A(1) :	55,444,740		55,444,740	22.88		55,196,312	22.78				-0.10
	FOREIGN											
(a)	Individuals (NRIs/Foreign Individuals)	13,076,150		13,076,150	5.40		11,926,150	4.92				-0.48
(b)	Bodies Corporate	0		0	0.00		0	0.00				0.00
(c)	Institutions	0		0	0.00		0	0.00				0.00
(d)	Qualified Foreign Investor	0		0	0.00		0	0.00				0.00
(e)	Others	0		0	0.00		0	0.00				0.00
	Sub-Total A(2) :	13,076,150		13,076,150	5.40		11,926,150	4.92				-0.48
	Total A=A(1)+A(2)	68,520,890		68,520,890	28.28		67,122,462	27.70				-0.58
	PUBLIC SHAREHOLDING INSTITUTIONS											
(a)	Mutual Funds /UTI	2,540		2,540	0.00		0	0.00				0.00
(b)	Financial Institutions /Banks	4,444,232		4,444,232	1.83		4,530,944	1.87				0.04
(c)	Central Government / State Government(s)	0		0	0.00		0	0.00				0.00
(d)	Venture Capital Funds	0		0	0.00		0	0.00				0.00

CATEGORY CODE	CATEGORY OF SHAREHOLDER	No of Shares held at the beginning of the year March 31, 2016				No of Shares held at the beginning of the year March 31, 2017				% Change during the year
		Demat		% OF TOTAL SHARES		Demat		% OF TOTAL SHARES		
		Demat	Physical	Total	% OF TOTAL SHARES	Demat	Physical	Total	% OF TOTAL SHARES	
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	6,224,180	0	6,224,180	2.57	0	0	0	0.00	-2.57
	Foreign Portfolio Investors	0	0	0	0.00	371,578	0	371,578	0.15	0.15
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Others	0	0	0	0.00	0	0	0	0.00	0.00
	FOREIGN NATIONALS	0	0	0	0.00	39	0	39	0.00	0.00
	Sub-Total B(1) :	10,670,952	0	10,670,952	4.40	4,902,561	0	4,902,561	2.02	-2.38
	NON-INSTITUTIONS									
(a)	Bodies Corporate	21,210,225	3,867	21,214,092	8.75	16,900,077	3,867	16,903,944	6.98	-1.78
(b)	Individuals	82,327,850	300,829	82,628,679	34.10	90,074,796	283,513	90,358,309	37.29	3.19
	(i) Individuals holding nominal share capital upto Rs.1 lakh/2 lakhs	38,145,921	293,697	38,439,618	15.86	43,975,205	293,697	44,268,902	18.27	2.41
	(ii) Individuals holding nominal share capital in excess of Rs.1 lakh/2 lakhs	0	11,287	11,287	0.00	0	11,287	11,287	0.00	0.00
(c)	Others	39	0	39	0.00	0	0	0	0.00	0.00
	FOREIGN NATIONALS	19,554,463	341,312	19,895,775	8.21	16,675,607	341,312	17,016,919	7.02	-1.19
	Sub-Total B(2) :	870,443	0	870,443	0.36	542,177	0	542,177	0.22	-0.14
	CLEARING MEMBERS	0	0	0	0.00	1,069,831	0	1,069,831	0.44	0.44
	Non Resident Indian Non Repatriable	12,592	0	12,592	0.01	4,558	0	4,558	0.00	0.00
	TRUSTS	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	55,040	0	55,040	0.02	118,457	0	118,457	0.05	0.03
	NBFCs Registered with RBI	162,176,573	950,992	163,127,565	67.32	169,360,708	933,676	170,294,384	70.28	2.96
	Sub-Total B(2) :	172,847,525	950,992	173,798,517	71.72	174,263,269	933,676	175,196,945	72.30	0.58
	Total B=B(1)+B(2) :	241,368,415	950,992	242,319,407	100.00	241,385,731	933,676	242,319,407	100.00	0.00
	Total (A+B) :				0.00				0.00	0.00
(C)	Shares held by custodians, against which Depository Receipts have been issued	0	0	0.00		0	0	0.00		
(1)	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A+B+C) :	241,368,415	950,992	242,319,407	100.00	241,385,731	933,676	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	11926150	4.92	0	-0.47
JAYESH PATEL	11815983	4.88	0	11567555	4.77	0	-0.10
USHA VINOD RAMNANI	9585176	3.96	0	9585176	3.96	0	0.00
TOTAL :	68520890	28.28	0	67122462	27.70	0.00	-0.58

(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)
JAYESH PATEL	11815983	4.88	11815983	4.88
Sold on 23rd Feb 2017	104000	0.04	11711983	4.83
Sold on 27th Feb 2017	72000	0.03	11639983	4.80
Sold on 28th Feb 2017	72428	0.03	11567555	4.77
THOMAS DIETIKER	13076150	5.40	13076150	5.40
Sold from 31.8.2016 to 15.3.2017	1150000	0.47	11926150	4.92

(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	4434608	1.83	2111453	0.87
EMERGING INDIA FOCUS FUNDS	4294822	1.77	0	0.00
PUSHPA BOSE	2778061	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	11926150	4.92
JAYESH PATEL	11815983	4.88	11567555	4.77
DR. SULEMAN ADAM MERCHANT	280160	0.12	280160	0.12
MR. RAJKUMAR RAISINGHANI	93700	0.04	93700	0.04
MS. SUCHITRA MISRA	81	0.00	81	0.00
MR. SOMADAS G C	0	0.00	0	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	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
Change in Indebtedness during the financial year				
• Addition				
• Reduction	(7,168.42)			(7,168.42)
Net Change	(7,168.42)			(7,168.42)
Indebtedness at the end of the financial year				
I. Principle Amount	56,549.51	3,388.69	-	59,938.20
II. Interest due but not paid	3,667.09	-	-	3,667.09
III. Interest accrued but not due				
Total (i + ii + iii)	60,216.60	3,388.69	-	63,605.29

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	17.50			17.50
(b) Value of perquisites u/s 17 (2) of the Income-tax Act,1961	8.75			8.75
(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)	26.25			26.25
Ceiling as per the Act	5% of the Net Profits of the Company			

B. Remuneration to other directors:

₹ in Lakhs

Particulars of remuneration	Name of Directors		
	Dr. Suleman Adam Merchant	Mr. Rajkumar Raisinghani	Mr. Somadas G.C.
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.		

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

₹ in Lakhs

Particulars of remuneration	CFO	CS	Total Amount
1. Gross Salary			
(a) Salary as per provisions contained in Section 17(1) of the Income- tax Act,1961	49.46	14.64	64.10
(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	49.46	14.64	64.10

Penalties/Punishment/Compounding of offences:

There were no material penalties/punishment/compounding of offences for the year ended March 31, 2017.

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, 2017, the Board of Directors of our Company comprises 7 (Seven) Directors, Mr. Vinod Ramnani (DIN: 01580173) is the Chairman & Managing Director.

During the Financial Year 2016-17, 09 (Nine) Board Meetings were held on:

Sl. No.	Date of Meeting	Sl. No.	Date of Meeting	Sl. No.	Date of Meeting
01	26.04.2016	04	11.07.2016	07	14.09.2016
02	30.05.2016	05	29.07.2016	08	24.11.2016
03	14.06.2016	06	01.09.2016	09	14.02.2017

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 original 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	09	01	02	Nil	Yes
Mr. Jayesh C Patel Promoter	03.04.2000	01*	Nil	Nil	Nil	No
Mr. Thomas Dietiker Promoter	03.04.2000	01*	Nil	Nil	Nil	No
Dr. Suleman Adam Merchant Independent	20.08.2001	01	01	Nil	Nil	No
Mr. Rajkumar Raisinghani Independent	31.12.2005	09	02	05	03	Yes
Dr. Suchitra Misra Non Executive	31.03.2015	09	03	03	Nil	Yes
Mr. Somadas G.C. Independent	26.04.2016	09	04	06	05	Yes

* attendance through VC

Note:

- None of the Directors of your Company are related to each other.
- *Membership across all companies excluding private Companies, Foreign companies and companies under section 8 of the Companies Act, 2013.
- **Chairmanship and membership of Audit & Risk Management Committee and Stakeholders Relationship Committee only
- Dr. Anvay Mulay ceased to be a Director of the Company with effect from 04.01.2017.
- Mr.Vinod Ramnani resigned as Managing Director w.e.f April 01, 2017 & continues to serve the Company as Non Executive Chairman.

Appointment / Re-appointment

Induction.

Based on recommendations of Nomination and Remuneration Committee Board of Directors has approved the appointment of Mr. Somadas GC as Managing Director for a period of 3 years, on account of his appointment as Managing Director, Mr. Somadas GC ceases to be an Independent Director w.e.f April 16, 2017 and Mr. Nanjappaiah Madgondapalli Ramu (holding DIN: 07268616) as an additional Director in the category of Independent Director, with effect from 16th April 2017.

The current term of Mr. Rajkumar Raisinghani expires on conclusion of ensuing Annual General Meeting. The Board of Directors has approved his re-appointment as an Independent Director for a period of 5 years, which is subject to approval of the shareholders at the 25th Annual General Meeting.

Dr.Suchitra Misra (DIN:02254365) and Mr.Vinod Ramnani (DIN: 01580173) retires by rotation at the ensuing Annual General Meeting.

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 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, 2017.

- Audit and Risk Management Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Corporate Social Responsibility Committee
- Finance Committee.

AUDIT AND RISK MANAGEMENT COMMITTEE:

(i) The Company has qualified and Independent Audit and Risk Management Committee with 3 (Three) members.

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

Name of the Member	Designation
Mr. Somadas G.C.	Chairman
Mr. Rajkumar Raisinghani	Member
Dr. Suchitra Misra	Member

Note : Dr. Anvay Mulay, Director has resigned with effect from 4th January 2017 & ceases to be member..

The Audit and Risk Management Committee has the following powers:

- To investigate any activity within its terms of reference.
- To seek any information from any employee.
- To obtain outside legal or other professional advice.
- 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:

- 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;
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the Annual Financial Statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
 - 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.
- Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
 - Reviewing, with the management, the statement of use /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;
 - Review and monitor the auditor's independence and performance and effectiveness of audit process;
 - Approval or any subsequent modification of transactions of the company with related parties;
 - Scrutiny of inter-corporate loans and investments;
 - Valuation of undertakings or assets of the Company, wherever it is necessary;
 - Evaluation of internal financial controls and risk management systems;
 - Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
 - 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;
 - Discussion with internal auditors of any significant findings and follow up there on;
 - 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;
 - 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;
- 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;
 - To review the functioning of the Whistle Blower mechanism;
 - 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;
 - 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. Somadas G.C.	06
Mr. Rajkumar Raisinghani	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.

Terms of Reference are as follows:

- 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	Chairman
Dr. Suchitra Misra	Member
Mr. Somadas G.C.	Member

Note: Mr. Somadas G.C., Director has been inducted as Member of the Nomination and Remuneration Committee in place of Dr. Suleman Adam Merchant, with effect from February 14, 2017.

2 [Two] Nomination and Remuneration Committee meetings were held during the Financial Year 2016-17. The attendance is as follows:

Name	No of Meetings Attended
Mr. Rajkumar Raisinghani	02
Dr. Suchitra Misra	02
Mr. Somadas G.C.	00

(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:

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

Amount in ₹

Name of the Director	Salary	Perquisites	Total
Mr. Vinod Ramnani	1,750,162	874,950	2,625,112
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

transfers and transmission of shares and other miscellaneous complaints. The Committee also approves the transfer/transmission of shares and other miscellaneous complaints. The Stakeholders' Relationship Committee consists of the following Directors:

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

Note: Mr. Rajkumar Raisinghani has been inducted as Chairman of the Stakeholders Relationship Committee in place of Dr. Suleman Adam Merchant and Dr. Suchitra Misra inducted as Member, with effect from February 14, 2017.

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

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

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. Suchitra Misra	Member

Note: Dr. Anvay Mulay, Director has resigned with effect from 4th January 2017 & ceases to be member..and Dr. Suchitra Misra has been inducted as Member in his place w.e.f February 14,2017.

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

Name of the Member	No.of Meetings Attended
Mr. Rajkumar Raisinghani	01
Dr. Anvay Mulay	01
Dr. Suchitra Misra	00
Mr. Vinod Ramnani	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 Committees.

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

Name of the Member	No of Meeting Attended
Mr. Vinod Ramnani	04
Mr. Rajkumar Raisinghani	04
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 16 [Sixteen].

(iv) Number of Complaints replied / attended to the satisfaction of Stakeholders were 16 [Sixteen].

(v) No request for transfer and for dematerialization for approval as on 31st March 2017.

GENERAL MEETINGS:

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

Financial year	2013-14	2014-15	2015-16
Date, time and venue	30th September 2014 12.00 Noon Manipal County, No.65, Singasandara, Off Hosur Road, Bangalore - 560 068	31st December 2015 10.30 AM Opto Circuits (India) Ltd, No.83, Electronic City, Hosur Road, Bangalore - 560 100	7th September 2016 11.30 AM Opto Circuits (India) Ltd., No.83, Electronic City, Hosur Road, Bangalore - 560 100.
Special Resolutions passed	(i) Approving the Borrowing powers of the Company. (ii) Approving the Creation of Security by way of mortgage, charges etc.,	i) Ratification of Related Party Transaction	(i) Issue of further shares on Stock Swap Basis to the Shareholder (ii) Issue of further shares on preferential basis to promoter and Associates.

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:

- Basis of related party transaction: Your Company places details with respect to related party transactions before the Audit and Risk Management Committee periodically. No transaction of a material nature has been entered into by the Company with Directors or Management and their relatives etc, that may have a potential conflict with the interest of the Company. As required under regulation 23 of Listing Regulations, the Company has adopted a policy on Related Party Transactions. The policy on Related Party Transactions is available on the company's website at <http://www.optoindia.com/OCIL.%20-%20> Apart from receiving remuneration, none of the Directors has any pecuniary relationships or transactions vis-à-vis the Company. During the Financial Year 2016-17, 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.
- There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence, the question of penalties or strictures being imposed by SEBI or Stock Exchange does not arise.
- Whistle Blower Policy: The Company promotes ethical behavior in all its business activities and has put in place a mechanism for reporting illegal or unethical behavior. The company has vigil mechanism and Whistle Blower policy under which the employees are free to report

violations of applicable laws and regulations and the code of Conduct, to chief Vigilance Officer and Audit and Risk Management committee of the Board. The Company further confirms that no personal have been denied access to the Audit and Risk Management committee.

- 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.
- Disclosure of accounting treatments: Your Company has followed all relevant accounting standards while preparing the financial statements.
- 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.
- Disclosure of accounting treatment: Your Company has followed all relevant accounting standards while preparing the financial statements.
- Proceeds from public issues, rights issues, and preferential issues etc., Proceeds from the follow on public issue made during 2006 have been fully utilized.
- No significant material transaction has been made with the non-executive directors' vis-à-vis the Company.
- No significant material transaction has been made with the non-executive directors' vis-à-vis the Company.
- The number of Shares held by the Directors as on 31st March 2017 are as follows:

Name	No. of shares	% of holding
Mr. Vinod Ramnani	34043581	14.05
Mr. Jayesh C Patel	11567555	4.77
Mr. Thomas Dietiker	11926150	4.92
Dr. Suleman Adam Merchant	280160	0.12
Mr. Rajkumar Raisinghani	93700	0.04
Dr. Suchitra Misra	81	0.00 (Negligible)
Mr. Somadas G.C.	0	0.00

(i) CEO/CFO certification

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

MEANS OF COMMUNICATION

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

MANAGEMENT DISCUSSION AND ANALYSIS

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

GENERAL SHAREHOLDER INFORMATION

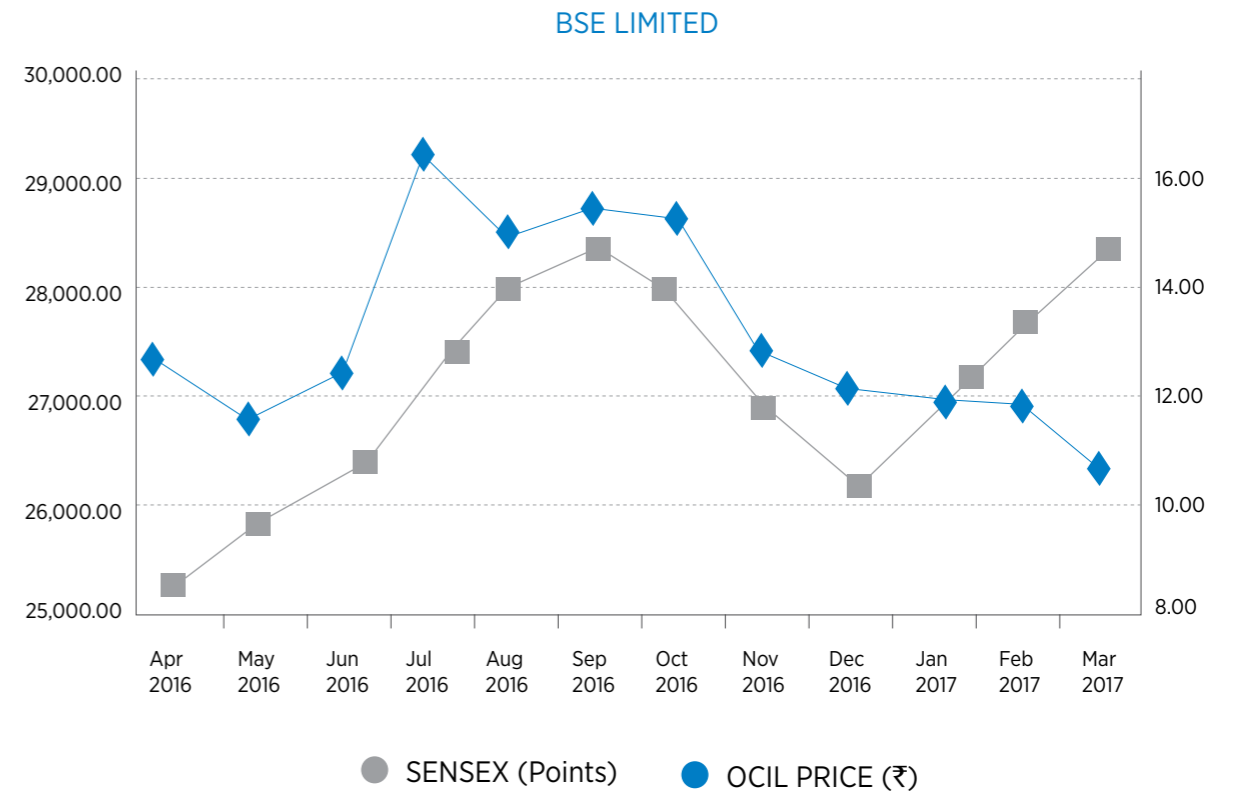
(i) Annual General Meeting	
Date & Time	Tuesday, September 05, 2017 at 11.00 AM
Venue	Plot No.83, Electronic City, Hosur Road, Bangalore - 560 100.
(ii) Financial Calendar (Tentative)	
Results	Reporting
Quarter 30th June 2017	On or before 14th August 2017
Quarter 30th September 2017	On or before 14th November 2017
Quarter 31st December 2017	On or before 14th February 2018
Quarter 31st March 2018	On or before 30th May 2018
AGM for approval of the Audited accounts for the year ended 31st March 2018	On or before 30th September 2018
Financial year	1st April to 31st March
(iii) Details of Book Closure	
	August 31, 2017 to September 05, 2017. (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. Bombay Stock Exchange code	532391
National Stock Exchange code	OPTOCIRCU
b. Demat ISIN Number in NSDL and CDSL for equity shares	INE808B01016
c. Listing fee	Paid
(vii) CIN	
	L85110KA1992PLC013223

(vii) Stock Market Data:

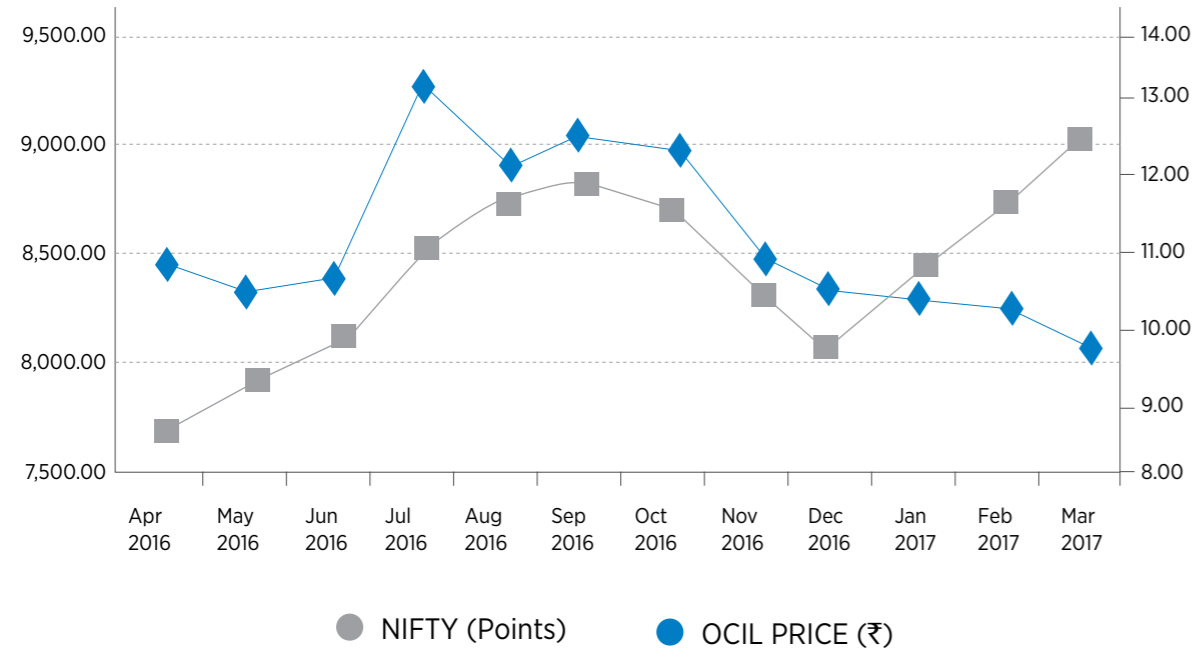
High and Low quotation at BSE Ltd and National Stock Exchange of India Ltd and number of shares traded:

Month	BSE prices			NSE prices		
	High	Low	Volume (No)	High	Low	Volume (No)
April 2016	11.80	9.56	13,910	11.85	9.50	17,912,412
May 2016	11.79	8.75	20,884	11.85	8.70	17,829,643
June 2016	12.75	8.22	48,415	12.80	8.20	72,663,654
July 2016	14.99	11.23	67,403	14.95	11.10	80,277,258
August 2016	13.80	10.59	23,558	13.85	10.50	24,110,783
September 2016	13.86	11.18	28,138	13.90	11.15	33,324,895
October 2016	13.15	11.63	12,776	13.20	11.60	19,977,884
November 2016	12.65	8.93	13,196	12.65	8.95	17,171,676
December 2016	11.65	9.15	19,143	11.65	9.20	28,418,190
January 2017	11.20	9.45	12,334	11.20	9.45	21,012,040
February 2017	11.15	9.55	11,370	11.15	9.60	19,072,605
March 2017	10.10	9.05	10,265	10.10	9.05	14,771,147

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

(x) Share Transfer System

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

(xi) Distribution of Shareholding as on 31st March 2017

Sl. No.	Category		No. of Shareholders	% of Shareholders	Amount in ₹	% of Shareholding
	From	To				
01.	01	500	64,314	64.59	118,432,740	4.89
02	501	1000	14,715	14.78	123,252,890	5.09
03	1001	2000	9,076	9.11	143,308,520	5.91
04	2001	3000	3,465	3.48	89,601,850	3.70
05	3001	4000	1,798	1.81	65,009,380	2.68
06	4001	5000	1,674	1.68	80,306,060	3.31
07	5001	10000	2,442	2.45	182,378,350	7.53
08	10001	Above	2,089	2.10	1,620,904,280	66.89
	Total		99,573	100.00	2,423,194,070	100.00

Categories of Shareholdings as on 31st March 2017

Sl. No.	Description of Holders	No. of Shareholders	No. of Shares	% of Equity
01	Banks	03	767154	0.32
02	Clearing Members	109	542177	0.22
03	Employees	05	2326	0.00
04	Foreign Nationals	01	39	0.00
05	Foreign Promoters	01	11926150	4.92
06	Foreign Portfolio Investors	06	371578	0.15
07	Hindu Undivided Family	2428	6462219	2.67
08	Indian Financial Institutions	06	3763790	1.55
09	Indian Promoters	03	48397440	19.97
10	Bodies Corporate	985	16903944	6.98
11	NBFC	08	118457	0.05
12	Non Resident Indians	1294	23768491	9.81
13	NRI Non – Repatriation	391	1069831	0.44
14	Resident Individuals	94330	128221253	52.91
15	Trusts	03	4558	0.00
	Total	99573	242319407	100.00

XII. Dematerialization of Shares and Liquidity

As on 31st March 2017, 99.61% of the Company's total paid up capital, representing 241,385,731 Equity Shares, were held in dematerialized form and the balance 0.39%, representing 933,676 Equity Shares, were held in physical form.

Secretarial Audit:

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

XIII. There were no outstanding GDRs / ADRs etc, as on 31st March 2017.

XIV. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities – Not Applicable.

XV. The Company's Plants are located:

*Plot No.83, Electronic City, Hosur Road, Bangalore – 560 100.

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

XVI. Address for correspondence:

Karvy 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 in address;
- For shares held in demat form to the depository participant;
- The Company has designated investorsservices@optoindia.com as the e-mail for the purpose of registering complaints by investors.

e) Disclosures regarding suspense account shares issued pursuant to the public issues or any other issue which remains unclaimed and / or lying in the escrow account

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

On behalf of the Board of Directors

Vinod Ramnani
Chairman,
(DIN:01580173)

Somadas GC
Managing Director
(DIN:00678824)

Place: Bengaluru
Date: August 01, 2017

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, 2017.

On behalf of the Board of Directors

Vinod Ramnani
Chairman,
(DIN:01580173)

Somadas GC
Managing Director
(DIN:00678824)

Place: Bengaluru
Date: August 01, 2017

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, 2017 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015('the Listing Regulations').

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

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

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

Vijaykrishna K T

Practising Company Secretary
FCS-1788 & CP-980

Place: Bengaluru
Date: August 01, 2017

INDEPENDENT AUDITOR'S REPORT

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

REPORT ON THE STANDALONE IND AS FINANCIAL STATEMENTS

We have audited the accompanying Standalone Ind As Financial Statements of Opto Circuits (India) Ltd ("the Company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity, and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone Ind As financial statements based on our audit. In conducting our audit, we have taken into account the

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

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

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

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

BASIS FOR QUALIFIED OPINION

We draw your attention:

- a) Regarding the trade receivables amounting to Rs. 22,332.98 Lakhs (includes dues Rs. 21,795.18 Lakhs more than 36 months), Trade Payables amounting to Rs. 4,112.25 Lakhs (Overseas payables Rs.1,229.48 Lakhs more than 36 months), there is no confirmation of balances available supporting the outstanding receivables and payables. Although receivables of Rs. 21,795.18 Lakhs and payables of Rs. 1,257.10 Lakhs over 36 months, the provisioning/

write off of such debts and write back of liabilities could not be ascertained.

- b) During the course of audit we observed that company has suspended its business operation in SEZ unit at vizag since 1st April 2017. We further noticed that there were stocks resulted in not being sold, aggregating to Rs.8,625.10 Lakhs. The management has not assessed realizable value of the above said stock. In such a situation, we are unable to express our opinion as to the correctness of value of the stock and also its impact on the profit / loss of the company.
- c) The Company has borrowings from State Bank of India, HDFC Bank Ltd, Yes Bank Ltd, Standard Chartered Bank Ltd and Bank of Nova Scotia Ltd, for which no provision for interest is made in the financial statements as these Banks have categorized the respective borrowings as NPA. The Management has submitted proposals for One Time Settlement [OTS] with Standard Chartered Bank Ltd, State Bank of India, HDFC Bank Ltd and Bank of Nova Scotia Ltd. With Standard Chartered Bank Ltd, the company has already Repaid Rs 20.75 Crores towards part settlement of OTS and the balance of Rs 62 Crores in a phased manner [3 years time] which is under consideration. With State Bank of India, the Company has already Paid Rs 2.50 Crores towards OTS [Out of Total OTS Proposal of Rs 86.50 Crores] to be paid in 22 Months and that the proposal is under consideration. With HDFC Bank Ltd and Bank of Nova Scotia Ltd, the company has submitted proposal which are under negotiation.
- d) The Company holds investment in its subsidiary OptoCardiac Care Limited amounting to Rs. 20,005.50 Lakhs and advances amounting to Rs. 51633.65 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 Inc, USA) 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)
Bank of Nova Scotia Ltd	working capital	11916.00
HDFC bank ltd	working capital	5047.00
State Bank of India	working capital	17796.30
Standard Chartered Bank Ltd	working capital	21521.78
Yes Bank Ltd	Working capital	3043.47
TOTAL		59324.55

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

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.

- f) Opto Circuits (India) Ltd has given advance of Rs. 1,615.19 lakhs to its subsidiary, Advanced Micronics Devices Ltd (holding 59% of shareholding). The subsidiary has stopped its business operation since July 2015. In this situation, it is difficult to realize this amount and company has not made necessary provision in this regard.
- g) In view of the IND AS 36 Impairment of Assets, the management of the company has to demonstrate how the Intangible Asset will generate the probable future economic benefits, also has to allocate the resources to complete, use and obtain the benefit from the Intangible Asset. As the company's Management has not allocated any resource allocations/commitments during the year and in the absence of providing the report containing the future economic benefits, we are unable to comment on the carrying value of Rs. 10,210.43 /- Lakhs of such Intangible asset.

QUALIFIED OPINION

Subject to the above qualifications, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2017, and its loss, the changes in equity and its cash flows for the year ended on that date.

EMPHASIS OF MATTER

1. Company along with its step down subsidiary (Cardiac Science Corporation) had borrowed funds from DBS Bank Ltd. In the year 2014-15 the said loan was restructured and as part of the said process Rs.12678.41 lakhs borrowed by the company was also restructured. As per the terms of the

agreement with DBS Bank Ltd, upon default by step down subsidiary (Cardiac Science Corporation) the bank exercised their rights and assigned the debts to a third party and also exercised proxy voting rights to take management control of the company. As a result of this the loan borrowed by the company to the tune of Rs. 12678.41 lakhs stands extinguished. DBS Bank has objected to the stand taken by the Company and also want to classify the loan as red flagged account and recommended for a forensic audit. The banks also have convened a Joint Lender Forum on the above matter.

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

- A] Declaring the Company as Willful defaulters,
- B] Classifying the company's loan account as substandard or red flagged account
- C] Appointing/ conducting any forensic audit in the precincts of the company.

The Company also made a claim of USD 160.82 Million against DBS Bank Ltd vide its letter dated 24th January, 2017 and this claim is part of the above petition filed before the Hon'ble Court by the Company and that the matter is before the Hon'ble High Court. The Company has also informed all the other Banks in the above matter. Since matter is sub-judice, we cannot express our opinion on the above matter and its impact on financial liability.

2. We draw your attention regarding the figures for the quarter ended March 31, 2017, which are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures up to the third quarter of the current financial year which were subjected to limited review by us.

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

REPORT ON OTHER LEGAL REGULATORY REQUIREMENT

1. As required by the companies (Auditors Report) Order 2016 ("the order") issued by the Central Government of in terms of section 143(11) of the Act we give in Annexure A a statement on the matters specified in the paragraph 3 and 4 of the order to the extent applicable.

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

a) We have sought and obtained all the information and

explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, except for the indeterminate effects of the matters described in the Basis for qualified Opinion paragraph, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

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

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

e) On the basis of the written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

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

i. The Company has disclosed the impact of pending litigations as at 31 March 2017 on its financial position in its standalone financial statements – Refer Note No.15B(9),(10), No.31B and 31D.

ii. The Company is not required to make provision as at 31 March 2017, 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 2017.

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 2017.

iv. The company has provided requisite disclosures in the Ind AS financial statements as regards its holding and dealings in specified bank notes as defined in the notification

S.O 3407(E) Dt: Nov 8/2016 of the ministry of finance, during the period from November 8, 2016 to December 30, 2016. Based on audit procedures performed and the representation provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by the company and as produced to us by the management.

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

A. AMARANATH
Partner
Membership Number: 213629
Firm Registration Number: 0091515
Place: Bengaluru
Date: 30th May 2017

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

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

The Annexure Referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2017, we report that:

- i. In respect of the company's Property plant & equipment
 - (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property plant & equipment.
 - (b) The Property plant & equipment of the Company have been physically verified by the firm of chartered accountant M V Rao & Associates during the year. Based on report given by independent chartered accountant, in our opinion, no material discrepancies have been noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us and based on the examination of the conveyance deed provided to us we report that, the title deeds, comprising all the immovable properties of Land & Building which are free hold, are held in the name of the Company as at the Balance sheet date.
- ii. Subject to point (b) under basis for qualification, the physical verification of inventory has been conducted at periodical intervals by the Management but not

effectively conducted during the year. As certified by the management the discrepancies noticed on physical verification of inventory as compared to book records were not material. However we recommend the Management to conduct the physical verification of inventories on quarterly basis and maintain proper records commensurate to the nature and size of the business.

- iii. (a) Subject to the qualification in the audit report and as per the explanations given to us, the Company has granted unsecured loans to the parties listed in the register maintained under Section 189 of the Companies Act.
 - (b) In respect of the aforesaid the company has given loans and advances to its subsidiaries aggregating to Rs. 75090.62 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. The company has not accepted deposits during the year and doesn't have any unclaimed deposits as at March 31, 2017 and therefore the provisions of the clause 3(v) of the order are not applicable to the company.
- vi. Reporting under clause 3(vi) of the order is not applicable as the company's business activities are not covered by the companies (cost records and audit) rule, 2014.
- vii. 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.
- viii. (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. (b) According to the information and explanations given to us there is no amount payable in respect of wealth tax, service tax, sales tax, customs duty and excise duty

which have not been deposited on account of any disputes. However according to information and explanation given to us the following dues of income tax have not

Name of the statute	Name of dues	Amount (in Rs. crores)	Period to which it relates	Forum where dispute is pending
Income Tax Authority	Demand Raised by IT U/S 154	6.36	A Y 2007-08	CIT (Appeals)
Income Tax Authority	Minimum Alternative Tax	0.58	A Y 2010-11	CIT (Appeals)
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

been deposited by the company on the account of dispute.

ix. 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 Rs. lacs)
Bank of Nova Scotia Ltd	working capital	11916.00
HDFC bank Ltd	working capital	5047.00
State Bank of India	working capital	17796.30
Standard Chartered Bank Ltd	working capital	21521.78
Yes Bank Ltd	working capital	3043.47
Total		59324.55

x. 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.

xi. To the best of our knowledge and according to the information and explanations given to us, no fraud by the company and no material fraud on the company by its officers or employees has been noticed or reported during the year.

xii. In our opinion and according to the information and explanations given to us, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xiii. 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.

xiv. In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company transaction with the related parties are in compliance with the provisions of Sections 177 and 188 of the Act where applicable, and details of such transactions have been disclosed in the IND AS financial statements as required under Accounting Standard.

xv. During the year 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.

xvi. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence provision of the section 192 of the act are not applicable to the Company.

xvii. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

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

Place: Bengaluru
Date: 30th May, 2017

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT - 31ST MARCH, 2017 (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 OF THE OPTO CIRCUITS (INDIA) LTD.

We have audited the internal financial controls over financial reporting of Opto Circuits (India) Ltd ("the Company"), as of 31st March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITORS' RESPONSIBILITY

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

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the

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

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

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2)

provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

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

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

Place: Bengaluru
Date: Date: 30th May, 2017

OPTO CIRCUITS (INDIA) LIMITED

STANDALONE BALANCE SHEET AS AT MARCH 31, 2017, 2016 AND APRIL 1, 2015

Amount in ₹

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at April 01, 2015
ASSETS				
NON-CURRENT ASSETS				
Property, Plant and Equipment	1	776,109,621	849,848,600	949,142,947
Capital work-in-progress	2	700,000	-	-
Goodwill		-	-	-
Other Intangible Assets	3	1,021,043,124	1,021,043,124	-
Intangible Assets Under Development		-	-	-
FINANCIAL ASSETS				
Investments	4	3,816,646,423	3,816,646,423	38,166,464,23
Trade Receivables	5	2,179,517,979	5,989,721,388	64,194,792,91
Loans	6	7,464,981,950	5,970,295,328	6,965,090,732
Other Financial Assets	7	5,890,440	5,943,607	5,745,588
Deferred Tax Assets (net)	8	594,527	594,527	3,499,718
Other Non-Current Assets	9	188,211,249	175,018,257	1,623,047,565
TOTAL NON - CURRENT ASSETS		15,453,695,313	17,829,111,254	19,782,652,264
CURRENT ASSETS				
Inventories	10	1,080,364,420	2,809,868,095	3,416,515,862
FINANCIAL ASSETS				
Trade Receivables	5	53,780,139	8,039,458	40,512,014
Cash and Cash Equivalents	11	5,816,804	24,689,372	10,966,352
Other Balances with Banks	12	2,031,581	2,915,244	6,608,200
Loans	6	44,080,509	1,490,947,099	483,768,487
Current Tax Assets	8	369,229,775	399,568,149	401,094,725
Other Current Assets	9	11,768,321	17,175,832	100,019,316
TOTAL CURRENT ASSETS		1,567,071,548	4,753,203,249	4,459,484,956
TOTAL ASSETS		17,020,766,861	22,582,314,503	24,242,137,220
EQUITY AND LIABILITIES				
EQUITY				
Equity Share Capital	13	2,423,194,070	2,423,194,070	2,423,194,070
Other Equity	14	6,500,028,519	10,246,509,310	10,426,695,932
TOTAL EQUITY		8,923,222,589	12,669,703,380	12,849,890,002
LIABILITIES				
NON-CURRENT LIABILITIES				
FINANCIAL LIABILITIES				
Borrowings	15	529,039,415	516,112,361	471,790,693
Trade Payables	16	334,998,110	876,551,718	329,900,212
TOTAL NON - CURRENT LIABILITIES		864,037,525	1,392,664,079	801,690,905
CURRENT LIABILITIES				
FINANCIAL LIABILITIES				
Borrowings	15	6,530,434,293	6,501,776,465	9,080,206,273
Trade Payables	16	76,227,087	1,402,461,807	848,519,945
Other Financial Liabilities	17	570,297,490	571,181,153	634,274,711
Other Current Liabilities	19	46,390,968	33,754,819	18,178,416
Provisions	18	10,156,909	10,772,800	9,376,968
TOTAL CURRENT LIABILITIES		7,233,506,747	8,519,947,044	10,590,556,313
TOTAL EQUITY AND LIABILITIES		17,020,766,861	22,582,314,503	24,242,137,220

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

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

VINOD RAMNANI G C SOMADAS SUNDAR VENKATARAMAN
Chairman Managing Director CFO

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

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

Place: Bengaluru
Date: 30th May, 2017

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEARS ENDED MARCH 31, 2017 AND 2016

Amount in ₹

Sl. No.	Particulars	Note No.	For the year ended on 31.03.2017	For the year ended on 31.03.2016
I.	Revenue from operations	20	503,801,254	766,714,585
II.	Other Income	21	1,698,614	35,873
III.	Total Income (I +II)		505,499,868	766,750,458
	Expenses:			
	Cost of materials consumed	22	225,259,515	331,115,112
	Purchase of Stock in Trade		-	-
	Changes in inventories of FGs,WIP & Stock-in-Trade	23	(27,031,476)	14,479,137
	Employee benefit expense	24	82,053,191	97,796,134
	Finance costs	25	78,521,055	315,167,661
	Depreciation and Amortization Expense	1 to 3	87,945,191	94,960,104
	Other Expenses	26	73,508,799	88,761,405
IV	Total Expenses (IV)		520,256,275	942,279,553
V.	Profit/(loss) before exceptional items and tax (III-IV)		(14,756,407)	(175,529,095)
VI.	Exceptional Items	27	3,625,656,449	-
VII.	Profit/(loss) before tax (V-VI)		(3,640,412,856)	(175,529,095)
VIII.	Tax expense:			
	(1) Current tax	8	-	1,752,334
	(2) Deferred tax	8	-	2,905,191
IX.	Profit/(loss) for the period from continuing operations (VII-VIII)		(3,640,412,856)	(180,186,620)
X.	Profit/(Loss) from discontinued operations		-	-
XI.	Tax expense of discontinued operations		-	-
XII.	Profit/(Loss) from discontinued operations (after tax) (X - XI)		-	-
XIII.	Profit/(loss) for the period (IX+XII)		(3,640,412,856)	(180,186,620)
XIV.	Other Comprehensive (Loss) / Income			
	Items that will not be reclassified subsequently to profit or loss		-	-
	Items that will be reclassified subsequently to profit or loss		-	-
XV.	Total comprehensive income for the period and comprising profit(Loss) and other comprehensive income for the period (XIII + XIV)		(3,640,412,856)	(180,186,620)
	Total other comprehensive income, net of taxes		-	-
	Earnings per equity share	28		
	Equity shares of par value ₹ 10 each			
	Basic (₹)		(15.02)	(0.74)
	Diluted (₹)		(15.02)	(0.74)

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

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

VINOD RAMNANI G C SOMADAS SUNDAR VENKATARAMAN
Chairman *Managing Director* *CFO*

As per our report of even date

FOR B V SWAMI & CO.
 Chartered Accountants

A AMARANATH
 Partner
 Membership Number: 213629
 Firm Registration Number: 0091515

Place: Bengaluru
 Date: 30th May, 2017

OPTO CIRCUITS (INDIA) LIMITED

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED MARCH 31, 2017 AND 2016

Particulars	Other Equity				Total
	Equity share capital	Share application money pending for allotment	Capital Reserve	Securities Premium Reserve	
Balance as of April 1, 2015	2,423,194,070	-	-	4,117,137,076	10,426,695,930
Profit for the year	-	-	-	(180,186,620)	(180,186,620)
Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income	2,423,194,070	-	-	4,960,477,365	10,246,509,310
Balance as of March 31, 2016	2,423,194,070	-	-	4,117,137,076	10,246,509,310
Balance as of April 1, 2016	2,423,194,070	-	-	4,117,137,076	10,246,509,310
Profit for the year	-	-	-	(3,640,412,856)	(3,640,412,856)
Other Comprehensive Income	-	-	-	-	-
Total Comprehensive Income	2,423,194,070	-	-	1,320,064,509	6,500,028,519
Changes in accounting policy or prior period errors	-	-	-	(106,067,935)	(106,067,935)
Balance as of March 31, 2017	2,423,194,070	-	-	4,117,137,076	6,500,028,519

Note : Prior Period Expenses includes Administration and Selling expenses of Rs 31.22 Lakhs, Reversal of Service Tax Receivable Rs 0.74 Lakhs, Reversal of VAT Receivable Rs 35.40 Lakhs and It includes Income of Rs 5209.37 /- Lakhs as interest reversal, Reversal of Foreign Exchange difference on restatement of Receivables Rs 6202.68/- Lakhs

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

VINOD RAMNANI G C SOMADAS SUNDAR VENKATARAMAN
Chairman *Managing Director* *CFO*

As per our report of even date

FOR B V SWAMI & CO.
 Chartered Accountants

A AMARANATH
 Partner
 Membership Number: 213629
 Firm Registration Number: 0091515

Place: Bengaluru
 Date: 30th May, 2017

OPTO CIRCUITS (INDIA) LIMITED

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEARS ENDED MARCH 31, 2017 AND 2016

Amount in ₹

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	(3,640,412,856)	(180,186,620)
Adjustments for non operating items		
Amortisation and other non cash items	2,549,509,001	-
Depreciation	87,945,191	94,960,104
Interest paid on Borrowings	78,521,055	315,167,661
Profit / (Loss) Sale of Fixed Assets	-	17,952,289
	(924,437,609)	247,893,434
Adjustments for Working Capital		
(Increase)/Decrease in Inventories	1,729,503,675	606,647,767
(Increase)/Decrease in Loans & Advances	(25,213,970)	1,522,723,330
(Increase)/Decrease in Sundry Debtors	1,108,885,792	462,230,459
Increase/(Decrease) in Current Liabilities	(1,315,098,125)	507,820,538
Cash operating profit/(loss)	573,639,763	3,347,315,528
Net cash flow from operations	573,639,763	3,347,315,528
II CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from Sale of Fixed Assets	225,005	(13,328,828)
Intangible Assets		(1,021,043,124)
Purchase of Fixed Assets	(15,131,213)	(289,221)
Movement in Non-Current Liabilities	(541,553,609)	546,651,507
Net Cash Flow from Investing Activities	(556,459,817)	(488,009,666)
III CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Secured Loans	41,584,882	(2,534,108,140)
Inflow of cash	41,584,882	(2,534,108,140)
Interest paid on borrowings	(78,521,055)	(315,167,661)
Net cash flow from financing activities	(36,936,173)	(2,849,275,802)
Total increase in cash & cash equivalents during the year	(19,756,227)	10,030,060
Cash & cash equivalents at the beginning of the year	27,604,612	17,574,552
Cash & cash equivalents at the end of the year	7,848,385	27,604,612

Note: Figures in brackets represent outflows

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

VINOD RAMNANI
Chairman

G C SOMADAS
Managing Director

SUNDAR VENKATARAMAN
CFO

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

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

Place: Bengaluru
Date: 30th May, 2017

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

COMPANY OVERVIEW:

1) Opto Circuits (India) Limited is engaged in the manufacture and trading of invasive and non-invasive medical equipment's. Opto circuits (India) Limited is located at registered office Plot no 83, Electronic city, Phase-1, Hosur Main Road, Bengaluru.

A. STATEMENT OF COMPLIANCE

These Financial statements of the company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the companies (Indian accounting Standards) Rule 2015 ("Ind AS") Up to year ended 31 March 2016 the company prepared its financial statements in accordance with generally accepted accounting principles in the India. Including accounting standards read with section 133 of the companies act 2013 notified under companies (Accounting standards) Rule 2006 ("Previous GAAP") These are the company's first Ind AS financial statements. The date of transition to Ind AS is 1st April 2015.

B. BASIS FOR PREPARATION AND MEASUREMENT.

These financial statements are prepared in accordance with Indian Accounting standards (Ind AS) under the historical cost convention on the accrual basis except for the certain financial instrument which are measured at fair values, the provisions of the companies act 2013 (" the Act") (to the extent notified) and guidelines issued by the SEBI The Ind AS are prescribed under section 133 of the act read with Rule 3 of the companies (Indian Accounting standards) Rule 2015 and companies (Indian accounting standards) amendments Rule 2016.

The Company has adopted all the Ind AS standards and the adoption was carried out in accordance with Ind AS 101, First Time adoption of Indian Accounting standards. The transition was carried out from Indian accounting principles generally accepted in India as prescribed under section 133 of the act read with rule 7 of the companies (accounts) Rules 2014 (IGAAP) which was the previous GAAP.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted

or a revision to existing accounting standards requires a change in the accounting policy hitherto in use.

C. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability

i) Cash and cash equivalents

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

ii) Financial assets at amortized cost

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

iii) Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. The Company has made an irrevocable election to present subsequent changes in the fair value of equity investments not held for trading in Other Comprehensive Income.

(iv) Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

v) Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

vi) Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments recognized by the Company are measured at the proceeds received net off direct issue cost.

vii) Offsetting of financial instruments

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

D. USE OF ESTIMATES

The preparation of financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standard.

E. PROPERTY PLANT AND EQUIPMENT (PPE)

On adoption of Ind AS, the Company retained the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'. PPE are initially recognized at cost. The initial cost of PPE comprises its purchase price, including non-refundable duties and taxes net of any trade discounts and rebates. The cost of PPE includes interest on borrowings (borrowing cost) directly attributable to

acquisition, construction or production of qualifying assets subsequent to initial recognition, PPE are stated at cost less accumulated depreciation (other than freehold land, which are stated at cost) and impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on disposal or retirement of an item of property, plant and equipment is determined as the difference between sales proceeds and the carrying amount of the asset and is recognized in profit or loss. Fully depreciated assets still in use are retained in financial statements.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method, and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

F. DEPRECIATION

Depreciation is provided on a pro rata basis on the straight-line method over the useful lives as prescribed under schedule II to the company's act 2013. Accordingly, in respect of fixed assets acquired during the year depreciation/ amortization is charged on 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 assets is available to the group for its use.

G. DEFERRED TAX

Deferred Tax Assets & Liabilities are recognized for the estimated 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 virtual certainty of realization.

H. INVESTMENTS

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

I. INVENTORIES

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

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

J. 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.

K. FOREIGN CURRENCY TRANSLATION

The functional currency of Opto circuits (India) Ltd is Indian rupee.

Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Profit and Loss.

L. RETIREMENT BENEFITS

The company's liability towards retirement benefits in the form of provident fund is fully funded and charged to revenue expenditure. The company contribute to the employee provident fund maintained under the employee's provident fund scheme run by the central government. The gratuity liability is provided and charged off as revenue expenditure based on actuarial valuation. The company has subscribed to

the group gratuity scheme policy of LIC of India. Unavailed encashable earned leave is accounted on accrual basis.

M. CAPITAL WORK-IN-PROGRESS AND INTANGIBLE ASSETS UNDER DEVELOPMENT

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

N. PROVISION FOR TAXATION

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

O. SEGMENT REPORTING POLICIES

Identification of segments :

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

Intersegment Transfers :

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

P. ACCOUNTING OF PROVISIONS, CONTINGENT LIABILITIES, AND CONTINGENT ASSETS

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 estimate can be made a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is possible obligation or a present obligation that may, but probably will not require an outflow of resources. Where there is 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.

Q. EARNINGS PER SHARE

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

have not been computed, as the Company has not issued any Dilute Potential Equity Shares.

R. CASH FLOW STATEMENT

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

3) FIRST TIME ADOPTION OF IND AS

These standalone financial statements have been prepared in accordance with Ind AS. For the purpose of transition to Ind AS the company has followed the guidance prescribed in Ind AS 101 First Time Adoption of Indian Accounting Standards with April 1 2015 as the transition date and IGAAP as the previous GAAP

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosure in the notes thereto and accounting policies and principles. There were no significant reconciliation items between financial statements prepared under Indian GAAP and those prepared under Ind AS.

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

VINOD RAMNANI G C SOMADAS SUNDAR VENKATARAMAN
Chairman Managing Director CFO

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

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

Place: Bengaluru
Date: 30th May, 2017

OPTO CIRCUITS (INDIA) LIMITED

NOTE 1 - PROPERTY, PLANT & EQUIPMENT

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

Particulars	Amount in ₹									
	Land	Buildings	Plant and Equipment	Office equipment	Vehicles	Computer equipment	Furniture and fixtures	Borewell	Electrical Installations	Total
Gross carrying value as of April 1, 2016	23,853,684	38,665,162	1,270,991,959	8,929,491	28,201,868	62,530,050	28,788,040	73,655	13,464,687	1,475,498,596
Additions			10,361,381		4,069,832					14,431,213
Deletions							225,005			225,005
Gross carrying value as of March 31, 2017	23,853,684	38,665,162	1,281,353,340	8,929,491	32,271,700	62,530,050	28,563,035	73,655	13,464,687	1,489,704,804
Accumulated depreciation as of April 1, 2016		23,695,681	474,842,956	7,030,136	27,913,687	62,380,824	19,467,002		10,319,710	625,649,996
Depreciation		1,225,686	80,574,185	1,668,005	319,346	149,226	2,729,594		1,279,145	87,945,187
Accumulated depreciation on deletions										-
Impairment losses										-
Accumulated depreciation as of March 31, 2017		24,921,367	555,417,141	8,698,141	28,233,033	62,530,050	22,196,596		11,598,855	713,595,183
Carrying value as of March 31, 2017	23,853,684	13,743,795	725,936,199	231,350	4,038,667	-	6,366,439	73,655	1,865,832	776,109,621

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2016:

Particulars	Amount in ₹									
	Land	Buildings	Plant and Equipment	Office equipment	Vehicles	Computer equipment	Furniture and fixtures	Borewell	Electrical Installations	Total
Gross carrying value as of April 1, 2015	23,853,684	46,171,442	1,270,795,516	8,929,491	28,201,868	62,437,272	28,788,040	73,655	13,464,687	1,482,715,655
Additions			196,443			92,778				289,221
Deletions		7,506,280								7,506,280
Gross carrying value as of March 31, 2016	23,853,684	38,665,162	1,270,991,959	8,929,491	28,201,868	62,530,050	28,788,040	73,655	13,464,687	1,475,498,596
Accumulated depreciation as of April 1, 2015		23,095,742	389,143,090	5,661,153	27,265,812	61,802,461	17,441,448		9,163,002	533,572,708
Depreciation		3,482,758	85,699,866	1,368,983	647,875	578,363	2,025,554		1,156,708	94,960,107
Accumulated depreciation on deletions		2,882,819								2,882,819
Impairment losses										-
Accumulated depreciation as of March 31, 2016		23,695,681	474,842,956	7,030,136	27,913,687	62,380,824	19,467,002		10,319,710	625,649,996
Carrying value as of March 31, 2016	23,853,684	14,969,481	796,149,003	1,899,355	288,181	149,226	9,321,038	73,655	3,144,977	849,848,600

NOTE 2 – CAPITAL WORK IN PROGRESS

Amount in ₹

Particulars	2017	2016
Gross carrying value at the beginning of the year		
Additions	700,000	-
Deletions	-	-
Gross carrying value at the end of the year	700,000	-
Accumulated depreciation at the beginning of the year	-	-
Depreciation	-	-
Accumulated depreciation on deletions	-	-
Impairment losses	-	-
Accumulated depreciation at the end of the year	-	-
Carrying value at the end of the year	700,000	-

Capitalization of development cost incurred towards Hassan SEZ Project is included in Capital Work In Progress

OPTO CIRCUITS (INDIA) LIMITED**NOTE 3 - OTHER INTANGIBLE ASSETS**

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

Particulars	Brand or Trademarks	Computer Software	Copyrights, Patents, IPR	Recipes, Formulae, Models, designs & Prototypes	Customer Relationship	Intangible Assets under Developments	Total
Gross carrying value as of April 1, 2016						1,021,043,124	1,021,043,124
Additions						-	-
Deletions						-	-
Gross carrying value as of March 31, 2017						1,021,043,124	1,021,043,124
Accumulated depreciation as of April 1, 2016							
Depreciation							
Impairment losses							
Accumulated depreciation as of March 31, 2017							
Carrying value as of March 31, 2017						1,021,043,124	1,021,043,124

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2016:

Particulars	Brand or Trademarks	Computer Software	Copyrights, Patents, IPR	Recipes, Formulae, Models, designs & Prototypes	Customer Relationship	Intangible Assets under Developments	Total
Gross carrying value as of April 1, 2015		35,017,228					35,017,228
Additions						1,021,043,124	1,021,043,124
Deletions						-	-
Gross carrying value as of March 31, 2016		35,017,228				1,021,043,124	1,056,060,352
Accumulated depreciation as of April 1, 2015		35,017,228					35,017,228
Depreciation							
Impairment losses							
Accumulated depreciation as of March 31, 2016		35,017,228					35,017,228
Carrying value as of March 31, 2016						1,021,043,124	1,021,043,124

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

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

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

OPTO CIRCUITS (INDIA) LIMITED

NOTE 4 - INVESTMENTS

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Non-current investments		
Long term investments - at cost		
Trade (unquoted)		
Investments in equity instruments of subsidiaries		
Advanced Micronic Devices Limited-	52,461,254	52,461,254
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
	3,816,646,423	3,816,646,423
Total	3,816,646,423	3,816,646,423

NOTE 5 - TRADE RECEIVABLES

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Trade Receivables		
Non-current		
Un-Secured		
Considered Good	2,179,517,979	5,989,721,388
Considered Doubtful debt	2,655,576,936	-
Total	4,835,094,915	5,989,721,388
Less : Allowance for Doubtful debt	(2,655,576,936)	-
	2,179,517,979	5,989,721,388
Total	2,179,517,979	5,989,721,388
Current		
Un-Secured		
Considered Good	53,780,139	8,039,458
Allowance for Doubtful debt		
	53,780,139	8,039,458
Total	53,780,139	8,039,458

OPTO CIRCUITS (INDIA) LIMITED

NOTE 6 - LOANS

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Non-current		
Un-Secured Considered Good		
Loans to related parties	7,464,981,950	5,970,295,328
Less : Doubtful	-	-
Total	7,464,981,950	5,970,295,328
Current		
Un-Secured Considered Good		
Loans to related parties	44,080,509	1,490,947,099
Less : Doubtful	-	-
Total	44,080,509	1,490,947,099

NOTE 7 - OTHER FINANCIAL ASSETS

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Non-current		
Security deposits	5,890,440	5,943,607
Total	5,890,440	5,943,607

NOTE 8 - INCOME TAXES

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

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Current taxes	-	1,752,334
Deferred taxes	-	2,905,191
Income tax expense	-	4,657,525

Income tax assets and income tax liabilities:

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Income tax assets	369,229,775	401,320,483
Current income tax liabilities	-	(1,752,334)
Net current income tax assets/ (liability) at the end	369,229,775	399,568,149

Deferred income tax account:

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Net deferred income tax asset at the beginning	594,527	3,499,718
Credits / (charge) relating to temporary differences & Translation differences	-	(2,905,191)
Net deferred income tax asset at the end	594,527	594,527

OPTO CIRCUITS (INDIA) LIMITED

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

NOTE 9 - OTHER ASSETS

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Non- current		
Capital advances	1,594,842	1,625,370
Advance other than capital advances		
Advances to Suppliers	186,616,407	173,392,887
Total	188,211,249	175,018,257
Current		
Advance to related parties		
Other advances	11,418,833	16,454,380
Prepaid expenses	349,488	721,452
Total	11,768,321	17,175,832

NOTE 10 - INVENTORIES

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
(At lower of cost and net realisable value)		
Raw Materials	163,833,677	1,920,368,828
Work in progress	916,530,743	889,499,267
Total	1,080,364,420	2,809,868,095

1) Above Inventories includes stock worth Rs.8625.10 lakhs belongs to SEZ unit at Vizag, Company has suspended its business operation at Vizag unit since 1st April 2017.

2) Due to the impact of cyclonic flood HUD HUD in october 2014 at vishakapatanam SEZ plant an amount of Rs.181.40 crores was assessed and the loss of stock /inventories is indicated under exceptional items.

3) The Company has lodged claim with insurance company and the actual loss is yet to be determined. The claim is still pending.

NOTE 11 - CASH AND CASH EQUIVALENTS

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Cash on hand	50,550	501,217
In current and deposit accounts	5,766,254	24,188,155
Total	5,816,804	24,689,372

NOTE 12 - OTHER BALANCES WITH BANKS

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Other Balances with Banks		
Earmarked Balances	2,031,581	2,915,244
Total	2,031,581	2,915,244

OPTO CIRCUITS (INDIA) LIMITED

Specified Bank Note Disclosure

In accordance with MCA Notification G.S.R 308(E) Dated March 30,2017 Details of Specified Bank Notes (SBN) And Other Denomination Notes(ODN) held and transacted during the period from November 8th 2016 to December 30,2016 is given below:

Amount in ₹

Particulars	Specified Bank Notes(SBN)	Other Denomination notes (ODN)
Opening Cash in Hand as on 08.11.2016	NIL	199,260
Less : Permitted payments	NIL	265,945
Add : Withdrawals	NIL	317,090
Less : Amount deposited in banks	NIL	125,000
closing cash in hand as on 30.12.2016	NIL	125,405

NOTE 13 - EQUITY

Amount in ₹

Particulars	As at March 31st, 2017	As at March 31st, 2016
Authorized		
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 Rs 10/- each (PY 242,581,307 Equity shares of Rs 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 Rs 10 each fully paid P.Y (242,319,407 Equity shares of Rs 10/- each)	2,423,194,070	2,423,194,070
	2,423,194,070	2,423,194,070

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

The details of shareholder holding more than 5% shares as at March 31, 2017 and March 31, 2016 are set out below:

Amount in ₹

	As at March 31, 2017		As at March 31, 2016	
	Number of shares	% held	Number of shares	% held
Equity Shares				
1) Vinod Parasram Ramnani	34,043,581	14.05%	34,043,581	14.05%
2) Thomas Dietiker	11,926,150	4.92%	13,076,150	5.04%

NOTE 14 - OTHER EQUITY

Amount in ₹

Particulars	As at March 31st, 2017	As at March 31st, 2016
Capital Reserve (on consideration)		
Securities Premium reserve	4,117,137,076	4,117,137,076
	4,117,137,076	4,117,137,076
General Reserve		
i) Opening Balance	1,168,894,869	1,168,894,869
ii) Transfer from retained earnings	-	-
iii) Less: Changes in Prior period or Accounting policy	(106,067,935)	-
	1,062,826,934	1,168,894,869

OPTO CIRCUITS (INDIA) LIMITED

Retained earnings		
i) Opening balance	4,960,477,365	5,140,663,985
ii) Profit for the year	(3,640,412,856)	(180,186,620)
	1,320,064,509	4,960,477,365
TOTAL	6,500,028,519	10,246,509,310

NOTE 14A - RECONCILIATION OF SHARES

Amount in ₹

Particulars	As at March 31, 2017 No of shares	As at March 31, 2016 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

NOTE 15 - NON BORROWINGS

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Non - Current		
- from other parties		
Unsecured	9,472,195	9,472,195
Loans and Advances from related parties		
Unsecured	519,567,221	506,640,166
Total	529,039,416	516,112,361

CURRENT BORROWINGS

Particulars	As at	
	March 31, 2017	March 31, 2016
- from Banks		
Secured	3,943,531,136	4,101,122,102
Unsecured	2,000,628,740	2,000,628,740
	5,944,159,876	6,101,750,842
- from other parties		
Unsecured	338,869,307	377,183,294
Loans and Advances from related parties		
Secured	-	-
Unsecured	247,405,110	22,842,329
Total	6,530,434,293	6,501,776,465

Non current unsecured loans of RS. 5,290.39 Lakhs includes interest free loans from subsidiaries / Step-down subsidiaries and others.

OPTO CIRCUITS (INDIA) LIMITED

- 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. The current assets of the company was given as security to the under multiple banking arrangement viz. state Bank of India, Standard chartered Bank, Indus Ind Bank and DBS Bank.
- The Company along with its stepdown subsidiary (CSC) had borrowed funds from DBS Bank Limited. In the year 2014-15 the said loan was restructured and as a part of the said process, Loan of Rs. 126.78 Crores borrowed by the company which was part of the total Loan Agreement was also restructured. As per the terms of the agreement with DBS Bank Limited, upon default by stepdown subsidiary (CSC), the bank exercised their right and assigned the debts to a third party and also exercised proxy voting rights to take management control of the Step down overseas subsidiary [CSC]. As a result of the above unilateral action of DBS Bank, the loan borrowed by the company to the tune of Rs. 126.78 crores also stands extinguished. [being part of the Loan Agreement dated 31st dec 2014].
- 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.
- 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' sharing basis with the members of the banks in Multiple Banking Arrangement. 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. Subsequently the property standing in the name of M/s Altrons Hotels pvt ltd was sold for Rs.3200 Lakhs during financial year 2017-18 and proceeds from the sale of said property is paid to Standard Chartered Bank towards part Repayment of the One Time Settlement with Standard Chartered Bank Ltd.
- Company has working capital facilities with Yes Bank Limited of Rs.3043.47 Lakhs.
- Company has working capital facilities with The Bank of Nova Scotia. The company has given the security of immovable property of its Subsidiary Opto Infrastructure Limited comprising on all that piece and parcel of land known as Plot No's 2A1, 2A2, 2A3, 2A3(P3), 2B1, 2B2, 2C1, 2C2, 3,4,5,6,7,8,9 and 10 in survey numbers in the Hassan Sector Specific Hard Ware Zone Industrial area within the limits of villages Doddabasavanahalli and Chikkabasavanahalli, Shantigrama Hobli, Hassan Taluk, Hassan dist. measuring an total extent of 250 acres.
- Current borrowings of Rs 59,441.60 Lakhs includes Cash credit facility of ₹ 17,796.30 Lakhs and Preshipment Credit in Foreign Currency and bill discounting/Postshipment credit in Foreign currency facility, Overdraft and Indian rupee loan of Rs 41,645.30 Lakhs.
- Current unsecured loans includes interest free loan of Rs. 2474.05 Lakhs from subsidiaries/ step down subsidiaries and Rs.3388.69 lakhs from directors.

- 9) Bank of Nova Scotia has issued winding up notice dated 6th March 2014 for recovery of outstanding dues of ₹ 119 crores as on 31st March 2015. The Management is making efforts to negotiate and settle with said bank for One Time Settlement [OTS] which is under negotiation.
- 10) 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.
- 11) State Bank India, The Bank of Nova Scotia, Hdfc Bank Limited, Standard Chartered Bank Ltd, Yes Bank Ltd have suspended charging the interest as these loans are categorised as NPA. The company has not recognised the interest on these borrowings. In view of the above confirmation of balances were not obtained from these banks.

OPTO CIRCUITS (INDIA) LIMITED

NOTE 16 - TRADE PAYABLES

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Non Current		
Trade payables- carried at amortized cost	196,391,167	739,310,136
Trade payables to subsidiaries and fellow subsidiaries	138,606,943	137,241,582
Total	334,998,110	876,551,718
Current		
Trade payables	70,948,686	1,401,096,447
Sundry Creditors for Subsidiaries	5,278,401	1,365,360
Total	76,227,087	1,402,461,807

NOTE 17 - OTHER FINANCIAL LIABILITIES

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Current		
Current maturities of long-term debt	77,500,000	77,500,000
Unpaid dividends	490,765,909	490,765,909
Unclaimed dividends	2,031,581	2,915,244
Total	570,297,490	571,181,153

1) During January 2014, the company has borrowed loan of 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 96,87,500 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 financial assets.

3) The Management is making efforts to negotiate and settle with said bank for One Time Settlement [OTS] which is under negotiation.

NOTE 18 - PROVISIONS

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Current		
Provision for Leave Encashment	8,785,784	8,788,809
Provision for Gratuity	1,371,125	1,983,991
Total	10,156,909	10,772,800

NOTE 19 - OTHER LIABILITIES

Amount in ₹

Particulars	As at	
	March 31, 2017	March 31, 2016
Current		
Advances Received From Customers	41,138,057	28,176,986
Others(Statutory Dues)	5,252,911	5,577,833
Total	46,390,968	33,754,819

OPTO CIRCUITS (INDIA) LIMITED

NOTE 20 - REVENUE FROM OPERATIONS

Amount in ₹

Particulars	For the year ended	
	2017	2016
Income from sale of products	503,801,254	766,714,585
Total	503,801,254	766,714,585

NOTE 21 - OTHER INCOME

Amount in ₹

Particulars	For the year ended	
	2017	2016
Exchange gains/(losses) on translation of other assets and liabilities	1,698,614	35,873
Total	1,698,614	35,873

NOTE 22 - COST OF MATERIALS CONSUMED

Amount in ₹

Particulars	For the year ended	
	2017	2016
Opening stock	1,920,368,828	2,512,537,458
Add: Purchases	222,419,700	2,700,989,962
Less: Closing stock	163,833,677	1,920,368,828
Less: Transferred to Subsidiary	-	2,003,083,469
Less: R & D Product development Expenses	-	1,024,344,125
Less: Discount on obsolete stock	391,778,097	-
Less: Provision for Non Moving Stock	1,399,747,246	-
Cost of material consumed (A)	187,429,508	265,730,998
MANUFACTURING AND OPERATING COST		
Insurance	1,169,444	3,186,547
Labour Charges & Job Work	19,432,157	16,367,879
Power & Fuel	8,645,249	7,344,640
R&D,Product Development Expenses	6,231,203	37,608,363
Repairs & Maintenance - Building	3,265	9,027
Repairs & Maintenance - Electricals & Others	623,547	599,215
Repairs & Maintenance - Plant & Machinery	1,632,303	146,763
Tooling Charges	92,839	121,680
Total Manufacturing & Operating Cost (B)	37,830,007	65,384,114
Cost of Material Consumed (A)+(B)	225,259,515	331,115,112

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

Amount in ₹

Particulars	For the year ended	
	2017	2016
Inventories at the end of the year:		
Work-in-progress	916,530,743	889,499,267
Inventories at the beginning of the year:		
Work-in-progress	889,499,267	903,978,404
Net (increase) / decrease	(27,031,476)	14,479,137

OPTO CIRCUITS (INDIA) LIMITED

NOTE 24 - EMPLOYEE BENEFIT EXPENSE

Amount in ₹

Particulars	For the year ended	
	2017	2016
Salaries and wages	69,386,365	83,580,780
Contribution to provident and other funds	4,048,942	5,781,554
Staff welfare expenses	8,617,884	8,433,800
Total	82,053,191	97,796,134

NOTE 25 - FINANCE COSTS

Amount in ₹

Particulars	For the year ended	
	2017	2016
Interest expense	74,525,098	312,246,343
Other borrowing costs	1,229,525	89,320
Bank Charges	2,766,432	2,831,998
Total	78,521,055	315,167,661

NOTE 26 - OTHER EXPENSES

Amount in ₹

Particulars	For the year ended	
	2017	2016
ADMINISTRATIVE EXPENSES:		
Audit fee	1,700,000	1,700,000
Tax Audit	500,000	-
Advertisement & Trade Shows	118,421	433,772
Directors Remuneration	2,625,112	7,870,536
Electricity & Water Charges	2,385,159	2,969,550
General Expenses	8,042,076	32,659,069
Membership, Books & Periodicals	34,232	56,409
Miscellaneous expenses	-	613,948
Office Maintenance	2,190,993	2,039,032
Postage, Telephone & Fax Charges	1,898,242	2,699,104
Printing & Stationery	4,863,429	4,943,231
Professional Consultancy Charges	21,620,526	13,061,065
Rates & Taxes	3,818,631	1,526,715
Rent	2,082,085	1,282,861
Travelling & Conveyance	6,199,172	2,778,448
Total A	58,078,078	74,633,740
SELLING EXPENSES:		
Business Promotion Expenses	286,272	400,421
Clearing Charges	5,209,042	4,114,307
Freight & Handling Charges	7,833,306	7,485,164
Packing Materials	2,102,101	2,127,773
Total B	15,430,721	14,127,665
Total (A+B)	73,508,799	88,761,405

NOTE 27 - EXCEPTIONAL ITEMS

Amount in ₹

Particulars	For the year ended	
	2017	2016
Long Term Trade Receivables Written Off	2,225,909,203	-
Non Moving Stock Written Off	1,399,747,246	-
	3,625,656,449	-

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

These stocks are specifically earmarked for Cardiac science corporation and criticare system Inc. Due to hostile take over of these subsidiaries these stocks no more usable and hence the provision has made for such non moving stock. Company would seek approval for such write off from appropriate authority.

NOTE 28 - EARNING PER SHARE

Amount in ₹

Particulars	For the year ended	
	2017	2016
Profit after Tax	(3,640,412,856)	(180,186,120)
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	(15.02)	(0.74)
EPS for previous year has been restated.		

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

Amount in ₹

Particulars	Amount in Foreign Currency		Equivalent amount in ₹	
	Current Year	Previous Year	Current Year	Previous Year
Sundry Creditors				
US\$	4,471,785	25,452,744	278,015,381	1,688,354,322
Euro	-	14,751	-	1,107,734
Loans and Advances received US\$	1,819,438	1,335,273	117,518,057	88,572,530
Bank Borrowings US\$	5,998,690	5,541,327	399,783,601	367,572,293
Sundry Debtors US\$	34,443,960	90,396,597	2,233,298,117	5,996,268,418
Loans and Advances Paid				
US\$	11,654,776	11,188,447	701,430,671	742,162,136
Euro	6,555	255,597	453,888	19,194,185

OPTO CIRCUITS (INDIA) LIMITED

30 SEGMENT INFORMATION :**30A PRIMARY SEGMENTS - BUSINESS SEGMENTS**

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	418,467,664	325,043,109	37,882,008	297,978,929	47,451,582	143,692,548	503,801,254	766,714,586
Other Income							1,698,614	35,873
B SEGMENT RESULTS								
Profit/(Loss) after considering other income and before interest and tax	99,713,431	109,776,626	9,026,611	100,636,255	11,306,871	48,529,203	(14,756,407)	(175,529,095)
Interest expenses and other borrowing cost								
Other Un-allocable Expenditure	99,713,431	109,776,626	9,026,611	100,636,255	11,306,871	48,529,203	(14,756,407)	(175,529,095)
C SEGMENT ASSETS								
UNALLOCATED CORPORATE ASSETS	4245,729,527	4527,081,684	384,346,926	4,150,141,666	481,438,830	2,001,297,315	5,111,515,283	10,678,520,665
Total Assets	4,245,729,527	4,527,081,684	384,346,926	4,150,141,666	481,438,830	2,001,297,315	17,020,766,861	22,584,066,837
D SEGMENT LIABILITIES								
Unallocated Corporate liabilities	341,572,090	978,116,748	30,920,995	896,675,464	38,732,111	432,398,299	411,225,197	2,307,190,511
E SEGMENT CAPITAL EXPENDITURE								
DEPRECIATION / AMORTISATION	11,986,862	122,613	1,085,117	112,404	1,359,234	54,204	14,431,213	289,221
	73,049,081	40,257,650	6,612,807	36,905,663	8,283,303	17,796,791	87,945,191	94,960,104

OPTO CIRCUITS (INDIA) LIMITED

30B 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	324,630	3,916,622
Outside India	503,476,624	762,797,963
ii) Carrying Amount of Segment Assets		
Within India	17,020,766,861	22,582,314,503
Outside India	-	-
iii) Capital Expenditure		
Within India	15,131,213	289,221
iv) Sales Revenue by Geographical Market		
Asia	33,180,610	256,615,606
America	454,820,566	226,392,296
Europe	15,800,077	283,706,683

NOTE 30C – BUSINESS SEGMENT INFORMATION

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

- Sensors
- Monitors
- Others

NOTE 30D – 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 31A - CONTINGENT LIABILITY

Amount in ₹

Particulars	As at	
	31st March, 2017	31st March, 2016
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	1,350,000,000
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

OPTO CIRCUITS (INDIA) LIMITED

NOTE 31B

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 31C - 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	179,772,873
2012-13	117,930,798	20,048,236	137,979,034
TOTAL	381,834,688	111,589,168	493,423,856

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

NOTE 31 D

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

2) The Income Tax Department has raised a demand for tax of RS 635.98 Lakhs,586.41 Lakhs,365.46 Lakhs for the AY 2007-08,AY 2010-11,AY 2011-12 respectively for which company has preferred an appeal before the commissioner of Income Tax (Appeal) III.Pending disposal for this,the company has not provided liability for Income Tax.

3) The Income Tax Department transfer pricing circle raised a penalty for 204.37 Lakhs against which company has preferred an appeal before the commissioner of income tax (Appeal) III.pending disposal for this,the company has not provided liability for Income Tax.

4) Outstanding TDS Demands as per TRACES for the AY 2013-2014,AY 2014-15,AY 2015-16,AY 2016-17,AY2017-18 aggregating to RS 15.71/- Lakhs for which company has not provided liability for Income Tax.

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

Amount in ₹

	For the year ended on 31.03.2017		For the year ended on 31.03.2016	
	Value (₹)	Percentage (%)	Value (₹)	Percentage (%)
Imported	214,681,478	95.30%	261,479,302	98.40%
Indigenously obtained	10,578,037	4.70%	4,251,696	1.60%
Total	225,259,515	100%	265,730,998	100%

OPTO CIRCUITS (INDIA) LIMITED

NOTE 32B - CIF VALUE OF IMPORTS

Amount in ₹

Particulars	For the year ended on March 31, 2017	For the year ended on March 31, 2016
Raw materials	202,020,813	686,735,054
Components and Spare Parts	9,954,206	3,995,841
Total	211,975,019	690,730,895

NOTE 32C - EXPENDITURE IN FOREIGN CURRENCY

Amount in ₹

Particulars	For the year ended on March 31, 2017	For the year ended on March 31, 2016
Freight & Travel Expenses	278,864	34,531
Tooling Charges	67,650	23,004
Legal & Professional Charges	295,019	950,912
Total	641,533	1,008,447

NOTE 33 - RELATED PARTY DISCLOSURES:**NOTE 33A - NAME OF THE RELATED PARTY AND NATURE OF RELATIONSHIP WHERE CONTROL EXISTS:**

Name of Related Party	Nature of Relationship	% of Holding
1) Advanced Micronic Devices Limited	Subsidiary Company	59.71%
2) Mediaid Inc, USA	Subsidiary Company	100.00%
3) Devon Innovations Private Limited	Subsidiary Company	100.00%
4) Ormed Medical Technology Limited	Subsidiary Company	100.00%
5) Opto Infrastructure Limited	Subsidiary Company	87.06%
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	94.93%
10) Criticare Technologies Inc,	Stepdown Subsidiary company	NA
11) Unetixs Vascular Inc	Stepdown Subsidiary company	NA
12) Eurocor Gmbh	Stepdown Subsidiary company	NA
13) Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	NA
14) Eurocor (S) Pte. Ltd.	Stepdown Subsidiary company	NA

Name of Related Party	Relationship
1) Vinod Ramnani	Key Management Personnel
2) Usha Ramnani	Key Management Personnel
3) Jayesh C Patel	Key Management Personnel
4) Thomas Dietiker	Key Management Personnel
5) G C Somadas	Key Management Personnel
6) Sundar Venkataraman	Key Management Personnel

OPTO CIRCUITS (INDIA) LIMITED

33B - RELATED PARTY TRANSACTIONS:

Amount in ₹

Nature of Transactions & Name of Related Party	Description of Relationship	Amount of Transaction	
		2016-17	2015-16
PURCHASES			
Raw Materials & Consumables			
Mediaid Inc	Subsidiary Company	82,403	-
Criticare Technologies Inc	Stepdown Subsidiary company	1,450,695	6,276,856
Advanced Micronic Devices Limited	Subsidiary Company	-	105,051
SALES			
Finished Goods			
Mediaid Inc	Subsidiary Company	3,500,510	1,605,800
Criticare Technologies Inc	Stepdown Subsidiary company	34,381,499	57,003,309
Advanced Micronic Devices Limited	Subsidiary Company	-	3,550,062
Unetixs Vascular Inc	Stepdown Subsidiary company	46,161,000	138,628,625
Opto Circuits SDN BHD	Subsidiary Company	-	5,071,442
Fixed Assets			
Vinod Ramnani	Key Management Personnel	-	7,575,750
Ashwini Khemani	Key Management Personnel	-	15,000,000
Loans & Advances (Debit Balance)			
Advanced Micronic Devices Limited	Subsidiary Company	161,519,239	163,440,791
Opto Eurocor Healthcare Limited	Subsidiary Company	1,654,877,528	1,669,091,048
N S Remedies Private Limited	Stepdown Subsidiary company	-	8,591,168
Opto Cardiac Care Limited	Subsidiary Company	5,163,365,286	5,094,314,045
Mediaid Inc	Subsidiary Company	313,315,913	313,315,913
Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	108,043,748	107,431,918
Eurocor Gmbh	Stepdown Subsidiary company	107,864,778	104,981,578
Loans & Advances (Credit Balance)			
Criticare Technologies Inc	Stepdown Subsidiary company	29,794,993	-
Devon Innovations Private Limited	Subsidiary Company	136,779,811	132,861,116
Mediaid Inc	Subsidiary Company	12,952,747	12,952,747
Ormed Medical Technology Limited	Subsidiary Company	12,673,286	12,673,286
Opto Infrastructure Limited	Subsidiary Company	541,139,233	328,549,296
Unetixs Vascular Inc	Stepdown Subsidiary company	19,850,932	33,684,902
Criticare systems(m) sdn bhd	Stepdown Subsidiary company	13,781,327	8,761,148
Vinod Ramnani	Key Management Personnel	126,648,604	156,344,857
Usha Ramnani	Key Management Personnel	58,455,813	65,873,547
Jayesh C Patel	Key Management Personnel	39,000,000	39,000,000
Srinivas M	Key Management Personnel	1,634,890	2,834,890
Bhaskar Valiveti	Key Management Personnel	113,130,000	113,130,000
Sundry Debtors (Balances)			
Mediaid Inc	Subsidiary Company	21,174,281	22,618,114
Eurocor Asia Sdn Bhd	Stepdown Subsidiary company	481,234	525,332
Criticare systems(m) sdn bhd	Stepdown Subsidiary company	170,177	175,732
Criticare Technologies Inc	Stepdown Subsidiary company	16,241,374	-

OPTO CIRCUITS (INDIA) LIMITED

33B - RELATED PARTY TRANSACTIONS (CONTD.)

Opto cardiac care ltd	Subsidiary Company	1,492,428	1,492,428
Unetixs Vascular Inc	Stepdown Subsidiary company	163,710,840	134,500,994
Opto Circuits (M) Sdn Bhd	Subsidiary Company	5,071,442	5,071,442
Advanced Micronic Devices Limited	Subsidiary Company	32,224	32,224
Criticare Technologies Inc,	Stepdown Subsidiary company	5,265,637	-
Mediaid Inc	Subsidiary Company	138,587,482	138,574,718
Management Contracts including for Deputation of Employees			
Directors Remuneration			
Vinod Ramnani	Key Management Personnel	2,625,112	7,870,536

NOTE 34

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 of OPTO CIRCUITS (INDIA) LIMITED

VINOD RAMNANI
Chairman

G C SOMADAS
Managing Director

SUNDAR VENKATARAMAN
CFO

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

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

Place: Bengaluru
Date: 30th May, 2017

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF OPTO CIRCUITS (INDIA) LIMITED****Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying consolidated Ind AS Financial Statements of Opto Circuits (India) Limited ('the Holding Company') and its subsidiaries (collectively referred to as 'the Group'), comprising the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated statement of Profit and Loss, (including other comprehensive income/loss), the Consolidated Cash Flow statement and consolidated statement of changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated Ind AS Financial Statements').

Management's responsibility for the Consolidated Financial Statements

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

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated Ind AS Financial Statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated Ind 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the 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 Ind AS financial statements.

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

OPTO CIRCUITS (INDIA) LIMITED

qualified audit opinion on the consolidated Ind AS financial statements.

Basis for Qualification**1. Non Moving Stock**

a) During the course of audit we observed that company Opto circuits (India) Ltd has suspended its business operation in SEZ unit at vizag since 1st April 2017. We further noticed that there were stocks resulted in not being sold, aggregating to Rs.86,25.10 lakhs . The management has not assessed realizable value of the above said stock. In such a situation we are unable to express our opinion as to the correctness of value of the stock and also its impact on the profit / loss of the company.

b) In respect of one of its subsidiaries, Advanced Micronic Devices Ltd, we observed that there were nonmoving stock of Terminal and Multi Para Patient Monitors and other equipment aggregating to Rs.373.98 Lakhs. Out of which stock worth Rs 136.75 lakhs lying in the customs bonded warehouse. These nonmoving stock have shelf life. Management has not assessed realizable value of above said nonmoving stock.

2. Long outstanding Receivables/payables:

a) In the case of holding company Opto Circuits(India) Ltd , the trade receivables amounting to Rs.22,332.98 Lakhs (includes dues Rs. 21,795.18 Lakhs more than 36 months), Trade Payables amounting to Rs.4,142.25 Lakhs (Overseas payables Rs.1,229.48Lakhs more than 36 months), there is no confirmation of balances available supporting the outstanding receivables and payables. Although receivables of Rs.21,795.18 Lakhs and payables of Rs.1,257.10 Lakhs over 36 months, the provisioning/write off of such debts and write back of liabilities could not be ascertained.

b) Similarly in the case of subsidiary Advanced Micronic Devices Limited we have also noticed bills receivable amounting to Rs 373.37 Lakhs relating to foreign branch operation were not realized for more than 360 days as on 31st March 2017.

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

c) Further in the case of Advanced Micronic Devices Ltd bills payable amounting to Rs.1,531.80 Lakhs were outstanding for more than 360 days as on 31st March 2017. The company has not obtained confirmation of balances of these creditors as on 31st March 2017. In the absence of such confirmation we

are unable to certify the existence of these creditors.

d) The Company Opto Circuits(India) Ltd has borrowings from State Bank of India, HDFC Bank Ltd, Yes Bank Ltd, Standard Chartered Bank Ltd and Bank of Nova Scotia Ltd, for which no provision for interest is made in the financial statements as these Banks have categorized the respective borrowings as NPA. The Management has submitted proposals for One Time Settlement [OTS] with Standard Chartered Bank Ltd, State Bank of India, HDFC Bank Ltd and Bank of Nova Scotia Ltd. With Standard Chartered Bank Ltd, the company has already Repaid Rs 20.75 Crores towards part settlement of OTS and the balance of Rs 62 Crores in a phased manner[3 years' time] which is under consideration. With State Bank of India, the Company has already Paid Rs 2.50 Crores towards OTS [out of total OTS Proposal of Rs86.50 Crores] to be paid in 22 Months and that the proposal is under consideration. With HDFC Bank Ltd and Bank of Nova Scotia Ltd, the company has submitted proposal which are under negotiation.

3. The Company opto circuits (India) Ltd holds investment in its subsidiary Opto Cardiac Care Limited amounting to Rs. 20,005.50 Lakhs and advances amounting to Rs. 51,633.65 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 Inc , USA) and the resultant pending litigation before the US Bankruptcy Courts.

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

Name of the bank	Facility	Amount (in Rs. lakhs)
Bank of Nova Scotia Ltd	working capital	11,916.00
HDFC Bank Ltd	working capital	5,047.00
State Bank of India	working capital	17,796.30
Standard Chartered Bank Ltd	Working capital	21,521.78
Yes Bank Ltd	Working capital	3,043.47
	TOTAL	59,324.55

Banks have classified these liabilities as irregular advances. Bank of Nova Scotia Ltd and HDFC Bank Ltd have issued winding up notices dated 03/06/2014, and 24/11/2014 respectively for recovery of the above said outstanding dues and the bankers have filed winding up petition before 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 Subsidiary.

5. Opto Circuits (India) Ltd has given advance of Rs.1,615.19 lakhs to its subsidiary, Advanced Micronic Devices Ltd (holding 59% of shareholding). The subsidiary has stopped its business operation since July 2015 .In this situation it is difficult to realize this amount and company has not made necessary provision in this regard.

6. One of the Company's Subsidiary viz Opto Cardiac Care Ltd has not consolidated the financials of its subsidiary company in Malaysia, viz M/s. Criticare Systems (M) Sdn Bhd, Malaysia, because it has not been able to obtain the Financial Statements of the subsidiary as at the end of the year.. This investment is therefore accounted for on a cost basis. Under the accounting principles generally accepted in India, the Company through its Subsidiary company should have consolidated the financials of this overseas non-operating subsidiary. Had the Financials of M/s. Criticare Systems (M) Sdn Bhd been consolidated, many elements in the accompanying consolidated financial statements would have been materially affected. The effects on the consolidated financial statements of the failure to consolidate the financials of this non-operating overseas subsidiary have not been determined.

7. Impairment of Non-Current Investment/ Intangible assets
In view of the Ind AS 36 Impairment of Assets,

a) The investment made in its step-down subsidiary company, viz M/s. Criticare Systems Inc, USA a company which is before The Bankruptcy Courts in USA, we are of the opinion that the Investments in this subsidiary is impaired, and the company has not made the provision for such Impairment loss in its books of accounts. The amount of Impairment loss not so provided in the books of accounts is Rs.38,095 Lakhs.

b) Similarly in respect of investment in its step-down subsidiary company, viz Cardiac Science Corporation Inc ,USA amounting to Rs. 40,368.34 Lakhs has become impaired. The provision for impairment has not been made in the books of accounts of the company.

c) Similarly based on our review of the certified financial

statements provided by the Management of the step-down subsidiary company, viz – Eurocor GMBH, Germany, we are of the opinion that the Investments in this subsidiary is impaired, and the company has not made the provision for such Impairment loss in the books of accounts. The amount of Impairment loss not so provided in the books of accounts is Rs.4,873.67 Lakhs.

d) The management of the company as group has to demonstrate how the Intangible Asset will generate the probable future economic benefits, also has to allocate the resources to complete, use and obtain the benefit from the Intangible Asset. As per the representations received from the company's Management, the management was not able to allocate any resource due to non-availability of Financials resources. Hence, we are unable to comment on the carrying value of Rs.27123.60 Lakhs of such Intangible asset as detailed below.

Name of the company	Carrying value of intangible assets (Rs. in lakhs)
Opto Circuits (India) Ltd	10,210.43
Opto Cardiac Care Ltd(group)	7,453.00
Opto Eurocore Health Care Ltd(Group)	9,460.17
TOTAL	27,123.60

8. We also observed that one of its subsidiary Advanced Micronic Devices Ltd has a branch at USA. This branch has not been audited by any other independent auditors for any financial year and also the company has not produced any records for verification to check the correctness of the entries. These entries are certified by management, where in the branch share of assets are Rs. 408.87 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 mentioned branch.

9. According to the information and explanation given to us and on the basis of our examination of books of account we observed , Advanced Micronic Devices Ltd has defaulted in payment of Rs.326.57 lakhs towards full and final settlement of their employees as on 31.03.2017. Further we also noticed that some of the ex-employees filed petition for winding up before the Hon'ble High Court, Karnataka, Bangalore for recovery of their outstanding dues which is yet to admitted in the Hon'ble High Court, Karnataka, Bangalore.

10. As per the information available from the income tax website, In the case of subsidiary Advanced Micronic Devices Ltd an amount of Rs. 6.47 Lakhs remains as unpaid demand which is not reconciled with the unaccounted payments made by the company.

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

a. One of its subsidiary companies, viz Devon Innovations Pvt Ltd has outstanding advance receivable from its holding company Opto Circuits (India) Ltd a sum of Rs. 1,496.21 lakhs.

b. Similarly one of its subsidiary company, viz, Opto Infrastructure Ltd has outstanding to its holding company M/s. Opto Circuits (India) Limited and another Group company, viz Advance Micronics Devices Limited, a sum of Rs.5,574 Lakhs in violation of the provisions section 186 of the Companies Act 2013.

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 and based on the consideration of reports of the other auditors on separate financial statements of the subsidiary companies referred to in the "Other Matters" below aforesaid consolidated Ind AS 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 including the Ind AS of the consolidated financial position of the group as at 31st March 2017 and its consolidated financial performance including other comprehensive loss, its consolidated cash flows and consolidated changes in equity for the year then ended.

Emphasis of Matters

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

extinguished. DBS Bank Ltd have objected to the stand taken by the Company and also want to classify the loan as red flagged account and recommended for a forensic audit. The bank also have convened a Joint Lender Forum on the above matter.

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

A]Declaring the Company as Wilful defaulters,

B] Classifying the company's loan account as substandard or red flagged account

C] Appointing/ conducting any forensic audit in the precincts of the company.

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

The Group has not consolidated subsidiary M/s , Opto Circuits(Malaysia) and Criticare Systems (Malaysia) SDN BHD because it has not been able to obtain the Financial Statements of the subsidiary as at the yearend date. This investment is therefore accounted for on a cost basis. Under the accounting principles generally accepted in India, the Group should have consolidated this subsidiaries. If Opto Circuits(Malaysia) and Criticare Systems (Malaysia) SDN BHD had been consolidated, many elements in the accompanying consolidated financial statements would have been materially affected. The effects on the consolidated financial statements of the failure to consolidate have not been determined.

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:

Name	Relationship with the Opto Circuits(India) Ltd	Contribution Towards Assets (Rs in Lakhs)	Contribution Towards Revenue (Rs in Lakhs)
Opto Cardiac Care Ltd	Subsidiary.	105,749.51	406.18
Opto Eurocor HealthCare Ltd	Subsidiary.	26,644.50	51.83
Opto Infrastructure Ltd	Subsidiary.	27,788.14	NIL
Altron Hotels Pvt Ltd (Subsidiary of Opto Infrastructure Ltd)	Step-Down Subsidiary.	3,831.83	NIL
Ormed Technologies Pvt Ltd	Subsidiary.	534.06	503.26
Devon Innovation Pvt Ltd	Subsidiary.	2,217.28	828.60
Total (a)		166,765.32	1789.87

Unaudited financial statements

Name	Relationship with the Opto Circuits(India) Ltd	Contribution Towards Assets (Rs in Lakhs)	Contribution Towards Revenue (Rs in Lakhs)
MediaidInc U.S.A	Subsidiary	30,521.13	668.01
Eurocor Asia SdnBhd, (subsidiary Of Opto Eurocor health care ltd)	Step-Down Subsidiary.	35,641.18	NIL
Eurocor Singapore Pte Ltd, (subsidiary Of Opto Eurocor health care ltd)	Step-Down Subsidiary	25,217.09	NIL
EurocorGmbH Group, (subsidiary Of Opto Eurocor health care ltd)	Step-Down Subsidiary	31,833.90	5675.20
CSI/CTI, USA, (subsidiary Of Opto Cardiac care ltd)	Step-Down Subsidiary.	7,510.80	3127.2
Unitexs Vascular Inc.,USA, (Subsidiary Of Opto Cardiac care ltd)	Step-Down Subsidiary.	5,044.91	5285.57
Total (b)		135,769.01	14755.98
Grand Total (a+b)		302,534.33	16545.85

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

Particulars	Audited Financial statements (Rs. in Lakhs)	Unaudited financial statements (Rs. in Lakhs)	Consolidated financial statements (Opto circuits(india) Ltd group) (Rs. in Lakhs)
Revenue	1,789.87	14,755.98	16,545.85
Assets	166,765.32	135,769.01	302,534.33

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

Mediaid Inc U.S.A ,Eurocor Asia SdnBhd, Eurocor Singapore Pte Ltd, Eurocor Polond SpZoo, and Eurocor GmbH, Germany

These unaudited financial statements as approved by the respective Chief executive officers/key management personnel of

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

We did not audit the financial statements of six Indian subsidiaries/step down subsidiaries included in the statement whose financial statements reflect total assets of Rs. 166765.32 lakhs as at March 31 2017 and total revenue of Rs.1789.87 lakhs and Rs.11688.36 lakhs net loss for the year then ended. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the financial results to the extent they have been derived from such financial statement is based solely on the report of such auditor.

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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

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

(b) In our opinion, except for the indeterminate effects of the matters described in the Basis for qualified Opinion paragraph, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind As Financial Statements have been kept so far as it appears from our examination of those books, the reports of the other auditors and unaudited financial statements as approved by the respective chief executive officer/Key management personnel wherever applicable.

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

(d) In our opinion, except for the indeterminate effects of the matters described in the Basis for qualified Opinion paragraph, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 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 2017 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 2017 from being appointed as a Director of that company in terms of sub section 2 of Section 164 of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting of the company and its subsidiary companies incorporated in India

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

- i. The consolidated Ind As financial statements disclosed the impact of pending litigations on its financial statements: -Refer Note 31B,31C,31D
- 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.
- iv. The company has provided requisite disclosures in the Ind AS financial statements as regards its holding and dealings in specified bank notes as defined in the notification S.O 3407(E) Dt: Nov 8/2016 of the ministry of finance, during the period from November 8, 2016 to December 30, 2016 of the group entities as applicable. Based on audit procedures performed and the representation provided to us by the management we report that the disclosures are in accordance with the books of accounts maintained by those entities for the purpose of preparation of the consolidated Ind AS financial statements and as produced to us by the management of the respective group entities.

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

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

Place: Bengaluru
Date: 30th May, 2017

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

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

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

we have audited the internal financial controls over financial reporting of the Opto Circuits (India) Limited ('the Holding Company') and its subsidiary companies which are companies incorporated in India for the year ended 31 March 2017, In conjunction with our audit of the consolidated financial statements of the Company as at March 31 2017.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The respective Board of Directors 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

We believe that the audit evidence we have obtained and audit evidence obtained by other auditors in terms of their

report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far 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: 30th May, 2017

OPTO CIRCUITS (INDIA) LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2017, 2016 AND APRIL 1, 2015

Amount in ₹

Particulars	Note No.	March 31, 2017	March 31, 2016	April 1, 2015
ASSETS				
Non-current assets				
Property, plant and equipment	1	3,180,715,387	2,167,299,095	3,954,862,006
Capital work-in-progress	2	319,392,298	330,151,964	310,196,143
Investment Property		-	-	-
Goodwill	3	-	1,322,050,730	4,211,399,630
Other Intangible Assets	4	2,722,894,031	2,749,401,662	1,390,828,782
Intangible assets under development		-	-	-
Financial assets				
Investments	5	535,000,800	109,000	109,000
Trade receivables	6	8,041,991,992	13,033,993,069	12,681,900,671
Loans		-	-	-
Other financial assets	7	5,890,440	5,943,608	-
Deferred tax assets (net)	8	7,533,789	1,959,598	735,043,229
Other non-current assets	9	764,194,768	801,623,986	658,321,978
Total Non-current assets		15,577,613,505	20,412,532,712	23,942,661,439
CURRENT ASSETS				
Inventories	10	2,394,975,015	4,805,196,624	7,499,256,980
Financial assets				
Investments	5	-	-	-
Trade receivables	6	2,421,700,853	3,573,850,660	5,745,298,053
Cash and cash equivalents	11	81,220,016	91,246,473	237,638,166
Other Balances with Banks	12	2,750,220	4,342,348	22,335,458
Loans		-	-	-
Other financial assets	7	-	-	-
Current Tax Assets	8	515,113,071	577,639,626	401,094,725
Other current assets	9	2,124,414,892	2,660,165,025	4,692,403,751
Total current assets		7,540,174,067	11,712,440,756	18,598,027,133
Total Assets		23,117,787,572	32,124,973,468	42,540,688,572
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13	2,423,194,070	2,423,194,070	2,423,194,070
Other equity	14	6,249,600,077	14,459,950,419	17,100,651,919
Equity attributable to shareholders of the company		8,672,794,147	16,883,144,489	19,523,845,989
Non-Controlling Interest		159,314,703	181,853,673	190,323,318
Total equity		8,832,108,850	17,064,998,162	19,714,169,307
LIABILITIES				
Non-current liabilities				
Financial liabilities				
Borrowings	15	352,340,947	694,285,406	184,886,570
Trade Payables	16	625,367,272	1,252,395,434	988,840,431
Other financial liabilities	17	3,663,226	3,663,226	3,663,226
Provisions	18	40,550,779	38,201,502	27,165,753
Deferred tax liabilities (net)	8	-	-	-
Other non-current liabilities	19	-	-	-
Total non-current liabilities		1,021,922,224	1,988,545,568	1,204,555,980
CURRENT LIABILITIES				
Financial liabilities				
Borrowings	15	9,301,908,189	10,258,999,032	13,539,930,283
Trade payables	16	398,738,848	1,696,558,709	1,668,470,097
Other financial liabilities	17	2,179,704,192	818,793,290	5,864,935,536
Other current liabilities	19	90,906,204	89,074,799	-
Provisions	18	1,124,703,137	22,514,573	548,627,369
Current income tax liabilities	8	167,795,928	185,489,335	-
Total current liabilities		13,263,756,498	13,071,429,738	21,621,963,285
Total equity and liabilities		23,117,787,572	32,124,973,468	42,540,688,572

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

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

VINOD RAMNANI G C SOMADAS SUNDAR VENKATARAMAN
Chairman *Managing Director* *CFO*

As per our report of even date

FOR B V SWAMI & CO.
 Chartered Accountants
 A AMARANATH
 Partner
 Membership Number: 213629
 Firm Registration Number: 009151S
 Place: Bengaluru
 Date: 30th May, 2017

OPTO CIRCUITS (INDIA) LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEARS ENDED MARCH 31, 2017 AND 2016

Amount in ₹

Sl. No.	Particulars	Note No.	For the year ended on 31.03.2017	For the year ended on 31.03.2016
I.	Revenue from operations	20	2,152,919,493	3,129,764,784
II.	Other income, net	21	6,950,562	338,051,223
III.	Total Income (I +II)		2,159,870,055	3,467,816,007
Expenses:				
	Cost of materials consumed	22	931,130,567	1,450,768,634
	Purchase of Stock in Trade		60,069,957	229,736,273
	Changes in inventories of FGs,WIP & Stock-in-Trade	23	1,329,223	29,344,695
	Employee benefit expense	24	387,701,020	527,949,820
	Finance costs	25	170,713,891	436,632,753
	Depreciation and amortization expense	1 to 4	160,339,759	413,671,304
	Other expenses	26	536,803,867	823,688,563
IV	Total Expenses (IV)		2,248,088,284	3,911,792,042
V.	Profit/(loss) before exceptional items and tax (III-IV)		(88,218,229)	(443,976,035)
VI.	Exceptional Items	27	4,986,729,618	(86,857,209)
VII.	Profit/(loss) before tax (V-VI)		(5,074,947,847)	(357,118,826)
VIII. Tax expense:				
	(1) Current tax	8	8,129,054	8,556,596
	(2) Deferred tax	8	(28,695)	2,934,026
IX.	Profit/(loss) for the period from continuing operations (VII-VIII)		(5,083,048,206)	(368,609,448)
X.	Profit/(Loss) from discontinued operations		-	-
XI.	Tax expense of discontinued operations		-	-
XII.	Profit/(Loss) from discontinued operations (after tax) (X - XI)		-	-
XIII.	Profit/(Loss) for the period (IX+XII)		(5,083,048,206)	(368,609,448)
XIV. Other comprehensive (Loss) income				
	Items that will be reclassified subsequently to profit or loss		-	-
	Items that will not be reclassified subsequently to profit or loss		-	-
	Remeasurement of the net defined benefit liability/asset		-	349,208,124
	Total other comprehensive income for the year, net of taxes	28	-	349,208,124
Total comprehensive income for the year (XIII + XIV)			(5,083,048,206)	(19,401,324)
Profit for the year attributable to:				
	Shareholders of the company		(5,100,724,407)	(373,472,215)
	Non-Controlling Interests		17,676,201	4,862,768
			(5,083,048,206)	(368,609,447)
Total Comprehensive income for the year attributable to:				
	Shareholders of the company		(5,100,724,407)	(24,264,092)
	Non-Controlling Interests		17,676,201	4,862,768
			(5,083,048,206)	(19,401,324)
XVI Earnings per equity share				
	Equity shares of par value ` 10 each			
	Basic (₹)	29	(21.05)	(1.54)
	Diluted (₹)		(21.05)	(1.54)
	- Basic and Weighted average number of Equity Shares outstanding during the period		242,319,407	242,319,407

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

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

VINOD RAMNANI G C SOMADAS SUNDAR VENKATARAMAN
Chairman *Managing Director* *CFO*

As per our report of even date

FOR B V SWAMI & CO.
 Chartered Accountants
 A AMARANATH
 Partner
 Membership Number: 213629
 Firm Registration Number: 009151S
 Place: Bengaluru
 Date: 30th May, 2017

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED MARCH 31, 2017 AND 2016

Particulars	Other Equity							Equity attributable to equity holders of the company	Other comprehensive income	Total	
	Equity share capital	Share application money pending for allotment	Capital Reserve	Securities Premium Reserve	Retained earnings	General Reserve	"Revaluation Surplus"				Exchange differences on translating the financial statements of a foreign operation
Balance as of April 1, 2015	2,423,194,070	-	-	4,344,718,356	10,814,086,704	1,270,342,775	-	671,504,084	17,100,651,919	190,323,318	17,290,975,237
Changes in equity for the period ended March 31, 2016	-	-	-	-	(373,472,216)	-	-	-	(373,472,216)	4,862,768	(368,609,448)
Profit for the year	-	-	-	-	349,208,124	-	-	-	349,208,124	-	349,208,124
Other comprehensive income	-	-	-	-	(24,264,092)	-	-	-	(24,264,092)	4,862,768	(19,401,324)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	388,418,606	388,418,606	-	388,418,606
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	(3,004,856,014)	-	-	-	(3,004,856,014)	-	(3,004,856,014)
Transfer from retained earnings	-	-	-	-	-	-	-	-	-	(13,332,413)	(13,332,413)
Remeasurement of obligation to acquire non-controlling interests	-	-	-	-	-	-	-	-	-	-	-
Balance as of March 31, 2016	2,423,194,070	-	-	4,344,718,356	7,784,966,598	1,270,342,775	-	1,059,922,690	14,459,950,419	181,853,673	14,641,804,092
Balance as of April 1, 2016	2,423,194,070	-	-	4,344,718,356	7,784,966,598	1,270,342,775	-	1,059,922,690	14,459,950,419	181,853,673	14,641,804,092
Changes in equity for the period ended March 31, 2017	-	-	-	-	(5,100,724,407)	-	-	-	(5,100,724,407)	17,676,201	(5,083,048,206)
Profit for the year	-	-	-	-	(5,100,724,407)	-	-	-	(5,100,724,407)	17,676,201	(5,083,048,206)
Total Comprehensive Income for the year	-	-	-	521,526,330	-	-	-	-	521,526,330	-	521,526,330
Increase in share capital	-	-	-	-	-	-	-	-	-	-	-
Adjustments towards common control transactions	-	-	-	-	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	(1,570,969,624)	-	-	-	(1,570,969,624)	-	(1,570,969,624)
Restated balance at the beginning of the reporting period	-	-	-	-	(2,013,297,018)	-	-	-	(2,013,297,018)	(40,215,171)	(2,053,512,189)
Remeasurement of the net defined benefit liability/asset, net of tax effect	-	-	-	-	-	-	-	1,418,436,075	(46,885,623)	-	(46,885,623)
Remeasurement of obligation to acquire non-controlling interests	-	-	-	-	-	-	-	136,740,011	-	-	-
Balance as of March 31, 2017	2,423,194,070	-	136,740,011	4,866,244,686	(900,024,451)	1,270,342,775	1,418,436,075	(542,139,019)	6,249,600,077	159,314,703	6,408,914,780

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

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

VINOD RAMNANI
Chairman

G C SOMADAS
Managing Director

SUNDAR VENKATARAMAN
CFO

As per our report of even date
FOR B V SWAMI & CO.
Chartered Accountants

A AMARANATH
Partner
Membership Number: 213629
Firm Registration Number: 0091515
Place: Bengaluru
Date: 30th May, 2017

OPTO CIRCUITS (INDIA) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEARS ENDED MARCH 31, 2017 AND 2016

Amount in ₹

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
I. CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the year	(5,083,048,206)	(368,609,448)
Adjustments for non operating items		
Amortisation and other non cash items	3,174,911,189	(3,153,396,533)
Depreciation	160,339,759	413,671,304
Interest paid on borrowings	170,713,891	436,632,753
Interest received on Fixed Deposit	(1,744,726)	(51,074,142)
Profit / (Loss) Sale of Fixed Assets	(144,320)	124,521,476
	(1,578,972,413)	(2,598,254,590)
Adjustments for Working Capital		
(Increase)/Decrease in inventories	636,984,213	2,694,060,356
(Increase)/Decrease in loans & advances	637,298,036	1,730,384,925
(Increase)/Decrease in sundry debtors	2,518,600,532	1,819,354,995
Increase/(Decrease) in current liabilities	(418,322,050)	3,607,521,659
Cash operating profit/(loss) before income tax	1,795,588,318	7,253,067,345
Income tax	(8,100,359)	(11,490,622)
Net cash flow from operations	1,787,487,959	7,241,576,723
II CASH FLOW FROM INVESTING ACTIVITIES		
Interest received on Fixed Deposit	1,744,726	51,074,142
Proceeds from Sale of Fixed Assets	144,320	(124,521,476)
Change in Minority Interest	(22,538,969)	(8,469,646)
Total inflow of cash from investing activities	(20,649,923)	(81,916,980)
Purchase of Fixed Assets	(317,140,221)	15,318,727
Payment towards Capital Work in Progress	10,759,667	(19,955,821)
Net cash flow from investing activities	(327,030,477)	(86,554,074)
III CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(Repayment) of Term Loans	(344,271,332)	(3,601,843,448)
Proceeds/(Repayment) of Working Capital Loans	40,290,604	(4,143,465,031)
Proceeds/(Repayment) of Unsecured Loans	(997,381,448)	862,533,780
Inflow of cash	(1,301,362,176)	(6,882,774,699)
Interest paid on borrowings	(170,713,891)	(436,632,753)
Net cash flow from financing activities	(1,472,076,067)	(7,319,407,452)
Total increase in cash & cash equivalents during the year	(11,618,585)	(164,384,803)
Cash & cash equivalents at the beginning of the year	95,588,821	259,973,624
Cash & cash equivalents at the end of the year	83,970,236	95,588,821

Previous year figures are not comparable due to books of accounts of subsidiary "Opto Circuits (Malaysia) Sdn Bhd" & step step down subsidiary "Criticare System (Malaysia) Sdn Bhd" has been excluded (Refer note no. 14(4))

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

VINOD RAMNANI
Chairman

G C SOMADAS
Managing Director

SUNDAR VENKATARAMAN
CFO

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

A AMARANATH
Partner
Membership Number: 213629
Firm Registration Number: 0091515

Place: Bengaluru
Date: 30th May, 2017

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 Accounting standards (Ind AS) under the historic cost convention on the accrual basis except for some financial instruments which are measured at fair value. , the provisions of the companies act 2013 (" the Act") (to the extent notified) and guidelines issued by the SEBI The Ind AS are prescribed under section 133 of the act read with Rule 3 of the companies (Indian Accounting standards) Rule 2015 and companies (Indian accounting standards) amendments Rule 2016. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The Company has adopted the Indian Accounting standards and the adoption was carried out in accordance with Ind AS 101, First Time adoption of Indian Accounting standards. The transition was carried out from Indian accounting principles generally accepted in India as prescribed under section 133 of the act read with rule 7 of the companies (accounts) Rules 2014 (IGAAP) which was the previous GAAP.

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 Indian Accounting Standard (Ind AS) 110, "Consolidated Financial Statements".

The Consolidated Financial Statements have been combined on a line-by-line basis by adding together book value of

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

• Use of Estimates

The preparation of the financial statements is in conformity with Ind AS 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. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognized when the group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

I. Cash and cash equivalents

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

II. Financial assets at amortized cost

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

III. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. The group has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading

IV. Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

v. Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

vi. Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the Company after deducting all its liabilities. Equity instruments recognized by the group are measured at the proceeds received net off direct issue cost.

vii. Off-setting of financial instruments

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

3. 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.

4. 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.

5. PROPERTY PLANT AND EQUIPMENT (PPE) INCLUDING GOODWILL, INTANGIBLE ASSETS AND CAPITAL WORK-IN-PROGRESS

On adoption of Ind AS, the Company retained the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP and used that as its deemed cost as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'.

PPE are stated at cost, less accumulated depreciation and impairments, if any. Direct costs are capitalized until such assets are ready for use. Capital work-in-progress/intangible assets under development are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment.

6. 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.

7. 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.

8. PRODUCT WARRANTIES

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

are recognized.

9. 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.

10. INVENTORIES

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

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

11. 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.

12. TAXES ON INCOME

• Income Tax

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

• MAT Provision

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

• Deferred Tax

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

Deferred tax asset in the nature of unabsorbed depreciation and losses are recognized only if there is a virtual certainty of realization. Other deferred tax assets are recognized if there is a reasonable certainty of realization. The effect on deferred assets and liabilities of a change in rates is recognized in the income statements in the period of enactment of the change. Deferred tax assets and liabilities are computed on the timing difference at the reporting date between carrying amount of assets and liabilities and their respective tax base. Deferred Tax assets are recognized based on management estimates of available tax liability and assessing its certainty. Under US GAAP, Valuation allowance is made to provide for

that portion which is not 'more likely than not' realizable. Also classification as current or non-current is based on the classification of related non-tax assets or liability.

13. FOREIGN CURRENCY TRANSLATIONS

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

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

Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of Profit and Loss.

14. 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.

15. 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.

16. INVESTMENTS

Investments other than investments in associates are valued at cost.

17. EARNINGS PER SHARE

The basic & diluted earnings per share is calculated

proportionately on the outstanding equity shares.

18. 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.

19. CASH FLOW STATEMENT

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

20. FIRST TIME ADOPTION OF IND AS

These consolidated financial statements of opto circuits (India) Ltd and its subsidiaries for the year ended March 31, 2017 have been prepared in accordance with Ind AS 110. For the purpose of transition to Ind AS the company has followed the guidance prescribed in Ind AS 101 First Time Adoption of Indian Accounting Standards with April 1 2015 as the transition date and IGAAP as the previous GAAP

The transition to Ind AS has resulted in changes in the presentation of the financial statements, disclosure in the notes thereto and accounting policies and principles. There were no significant reconciliation items between financial statements prepared under Indian GAAP and those prepared under Ind AS.

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

VINOD RAMNANI Chairman
G C SOMADAS Managing Director
SUNDAR VENKATARAMAN CFO

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

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

Place: Bengaluru
Date: 30th May, 2017

OPTO CIRCUITS (INDIA) LIMITED NOTE 1 - PROPERTY, PLANT & EQUIPMENT

Particulars	Land	Buildings	Plant and Equipment	Office equipment	Vehicles	Computer equipment	Furniture and fixtures	Borewell	Electrical Installations	Overseas Assets	Total
Gross carrying value as of April 1, 2016	117,506,846	274,211,287	2,552,824,705	27,357,067	62,350,291	195,618,867	105,662,953	73,655	137,000,655	38,531,267	3,511,137,593
Additions	2,013,200,890	6,415,855	11,951,312	-	7,999,188	31,756	-	-	-	-	2,039,599,001
Deletions	-	-	-	-	-	-	(225,005)	-	-	-	(225,005)
Adjustments	(682,785)	(12,580,466)	(1,034,079,714)	(5,631,247)	(2,002,812)	(15,787,333)	(49,380,739)	-	(25,282,868)	(868,005)	(1,146,295,969)
Gross carrying value as of March 31, 2017	2,130,024,951	268,046,676	1,530,696,303	21,725,820	68,346,667	179,863,290	56,057,209	73,655	111,717,787	37,663,262	4,404,215,620
Accumulated depreciation as of April 1, 2016	-	82,197,473	791,240,034	22,541,650	56,609,177	193,086,650	74,170,623	-	86,622,457	37,370,434	1,343,838,498
Depreciation	-	7,374,523	119,658,511	2,225,691	1,906,263	1,733,217	4,168,042	-	13,672,462	-	150,738,709
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-	-	(841,847)	(841,847)
Adjustments	-	(4,369,078)	(192,467,068)	(4,983,867)	(3,300,868)	(15,490,930)	(33,606,754)	-	(16,016,562)	-	(270,235,127)
Accumulated depreciation as of March 31, 2017	-	85,202,918	718,431,477	19,783,474	55,214,572	179,328,937	44,731,911	-	84,278,357	36,528,587	1,223,500,233
Carrying value as of March 31, 2017	2,130,024,951	182,843,758	812,264,826	1,942,346	13,132,095	534,353	11,325,298	73,655	27,439,430	1,134,675	3,180,715,387

Amount in ₹

Particulars	Land	Buildings	Plant and Equipment	Office equipment	Vehicles	Computer equipment	Furniture and fixtures	Borewell	Electrical Installations	Overseas Assets	Total
Gross carrying value as of April 1, 2015	114,572,923	436,739,229	5,051,595,516	97,288,880	66,847,907	559,689,911	238,439,595	73,655	319,329,981	36,357,102	6,920,933,699
Additions	1,224,060	1,324,469	81,014,690	646,273	6,478,513	402,765	7,454	-	8,190,039	-	99,288,263
Deletions	-	(14,927,720)	(11,154,702)	(160,509)	(1,145,601)	(3,085,592)	-	-	(580,382)	-	(31,054,506)
Adjustments	1,709,863	(148,923,691)	(2,568,630,799)	(70,417,577)	(9,830,528)	(361,388,217)	(132,784,096)	-	(189,938,983)	2,174,165	(3,478,029,863)
Gross carrying value as of March 31, 2016	117,506,846	274,211,287	2,552,824,705	27,357,067	62,350,291	195,618,867	105,662,953	73,655	137,000,655	38,531,267	3,511,137,593
Accumulated depreciation as of April 1, 2015	1,406,253	205,829,301	1,660,326,418	83,315,185	57,634,494	533,585,171	186,083,079	-	202,629,971	35,261,821	2,966,071,693
Depreciation	-	11,362,706	235,036,347	2,370,166	4,019,765	5,264,267	10,259,903	-	19,499,711	-	287,812,865
Accumulated depreciation on deletions	-	(4,765,270)	-	-	(939,705)	-	-	-	-	-	(5,704,975)
Impairment losses	-	-	-	-	-	-	-	-	-	-	-
Adjustments	(1,406,253)	(130,229,264)	(1,104,122,731)	(63,143,701)	(4,105,377)	(345,762,788)	(122,172,359)	-	(135,507,225)	2,108,613	(1,904,341,085)
Accumulated depreciation as of March 31, 2016	-	82,197,473	791,240,034	22,541,650	56,609,177	193,086,650	74,170,623	-	86,622,457	37,370,434	1,343,838,498
Carrying value as of March 31, 2016	117,506,846	192,013,814	1,761,584,671	4,815,417	5,741,114	2,532,217	31,492,330	73,655	50,378,198	1,160,833	2,167,299,095

OPTO CIRCUITS (INDIA) LIMITED

NOTE 2 - CAPITAL WORK IN PROGRESS

Amount in ₹

Particulars	2017	2016
Gross carrying value as at beginning of the year	330,151,964	310,196,143
Additions	3,270,109	20,896,762
Deletions	-	-
Adjustments	(14,029,775)	(940,941)
Gross carrying value as at end of the year	319,392,298	330,151,964
Accumulated depreciation as at beginning of the year	-	-
Depreciation	-	-
Accumulated depreciation on deletions	-	-
Impairment losses	-	-
Adjustments	-	-
Accumulated depreciation as at end of the year	-	-
Carrying value as at end of the year	319,392,298	330,151,964

Capitalization of development cost incurred towards Hassan SEZ Project incurred by Opto Circuits (India) Ltd included above in CWIP amounts to ₹ 7 Lakhs.

NOTE 3 - GOODWILL

Amount in ₹

Particulars	2017	2016
Gross carrying value as at beginning of the year	1,322,050,730	4,211,399,630
Additions	-	-
Impairment	31,354,510	2,889,348,900
Disposal & other adjustments	1,427,436,231	-
(Less) Transfer to Capital Reserve	(136,740,011)	-
Gross carrying value as at end of the year	-	1,322,050,730

During FY 2016-17 Opto Eurocor Healthcare Ltd sold investment in N S Remedies Pvt Ltd, similarly financials of Criticare Systems Sdn Bhd is not considered for consolidation (refer Note No.16(4)), Hence, to the extent goodwill arised on acquisition of above subsidiaries is reversed.

NOTE 4 - OTHER INTANGIBLE ASSETS

Amount in ₹

Particulars	Good Will	Brand or Trademarks	Computer Software	Copy-rights, Patents, IPR	Recipes, Formulae, Models, designs & Prototypes	Customer Relationship	Intangible Assets under Developments	Total
Gross carrying value as of April 1, 2016	6,000,000	-	40,333,080	13,052,772	2,253,186,387	-	2,712,436,498	5,025,008,737
Additions	-	-	-	-	-	-	-	-
Deletions	-	-	-	-	-	-	-	-
Adjustments	-	-	(119,752)	-	(48,172,872)	-	-	(48,292,624)
Gross carrying value as of March 31, 2017	6,000,000	-	40,213,328	13,052,772	2,205,013,515	-	2,712,436,498	4,976,716,113
Accumulated depreciation as of April 1, 2016	-	-	35,871,913	13,052,772	2,226,682,390	-	-	2,275,607,075
Depreciation	-	-	14	-	9,601,036	-	-	9,601,050
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-
Adjustments	-	-	(19,254)	-	(31,366,789)	-	-	(31,386,043)
Accumulated depreciation as of March 31, 2017	-	-	35,852,673	13,052,772	2,204,916,637	-	-	2,253,822,082
Carrying value as of March 31, 2017	6,000,000	-	4,360,655	-	96,878	-	2,712,436,498	2,722,894,031

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Amount in ₹

Particulars	Good Will	Brand or Trademarks	Computer Software	Copyrights, Patents, IPR	Recipes, Formulae, Models, designs & Prototypes	Customer Relationship	Intangible Assets under Developments	Total
Gross carrying value as of April 1, 2015	6,000,000	733,265,028	40,033,192	531,945,235	2,744,433,811	1,250,564,184	-	5,306,241,450
Additions	-	465,475	-	-	-	-	2,712,436,498	2,712,901,973
Deletions	-	-	-	-	-	-	-	-
Adjustments	-	(733,730,503)	299,888	(518,892,463)	(491,247,424)	(1,250,564,184)	-	(2,994,134,686)
Gross carrying value as of March 31, 2016	6,000,000	-	40,333,080	13,052,772	2,253,186,387	-	2,712,436,498	5,025,008,737
Accumulated depreciation as of April 1, 2015	-	-	35,749,728	347,181,780	2,281,916,976	1,250,564,184	-	3,915,412,668
Depreciation	-	-	76,180	113,203	125,669,056	-	-	125,858,439
Accumulated depreciation on deletions	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-
Adjustments	-	-	46,005	(334,242,211)	(180,903,642)	(1,250,564,184)	-	(1,765,664,032)
Accumulated depreciation as of March 31, 2016	-	-	35,871,913	13,052,772	2,226,682,390	-	-	2,275,607,075
Carrying value as of March 31, 2016	6,000,000	-	4,461,167	-	26,503,997	-	2,712,436,498	2,749,401,662

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

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

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

NOTE 5 - INVESTMENTS

Amount in ₹

Particulars	As at	
	31st March, 2017	31st March, 2016
Non-current investments		
Long term investments - at cost		
Trade (unquoted)		
Investments in equity instruments of subsidiaries		
Microland Ltd (Unquoted)	102,000	109,000
Opto Infrastructure Ltd (Unquoted)	534,898,800	-
Total non-current investments	535,000,800	109,000

(i) Unquoted investments ₹ 102,000 market value as certified by the directors.

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NOTE 6 - TRADE RECEIVABLES

Amount in ₹

Particulars	As at	
	31st March, 2017	31st March, 2016
Trade Receivables		
Non- current		
Secured		
Considered Good	-	-
Less: Allowance for Doubtful debt	-	-
	-	-
Un-Secured		
Considered Good	7,277,000,170	13,033,993,069
Considered Doubtful	3,420,568,758	-
	10,697,568,928	13,033,993,069
Less: Allowance for doubtful trade receivables (Refer Note no.27)	2,655,576,936	-
Total	8,041,991,992	13,033,993,069
Current		
Secured		
Considered Good	-	-
Less: Allowance for Doubtful Debt	-	-
	-	-
Un-Secured		
Considered Good	2,421,700,853	3,573,850,660
Considered Doubtful	-	-
	2,421,700,853	3,573,850,660
Less: Allowance for doubtful trade receivables	-	-
Total	2,421,700,853	3,573,850,660

NOTE 7 - OTHER FINANCIAL ASSETS

Amount in ₹

Particulars	As at	
	31st March, 2017	31st March, 2016
Non- current		
Security deposits	5,890,440	5,943,608
Total	5,890,440	5,943,608
Current		
Restricted deposits	-	-
Interest accrued but not due	-	-
Others	-	-
Total	-	-

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NOTE 8 - INCOME TAXES

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

Amount in ₹

Particulars	Year ended March 31,	
	2017	2016
Current taxes	8,129,054	8,556,596
Deferred taxes	(28,695)	2,934,026
Income tax expense	8,100,359	11,490,622

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

Income tax assets and income tax liabilities

Amount in ₹

Particulars	Year ended March 31,	
	2017	2016
Income tax assets	515,113,071	577,639,626
Income tax assets at the year end	515,113,071	577,639,626
Income tax / MAT liabilities	167,795,928	185,489,335
Income tax / MAT liability at the year end	167,795,928	185,489,335

Deferred Tax Assets (Liability) at the end of year

Amount in ₹

Particulars	Year ended March 31,	
	2017	2016
Net operating loss carried forward	255,302	284,138
Depreciation/Amortization	(4,461,773)	(4,519,304)
Income tax credits	20,948,638	6,194,764
Others (net of all taxable and deductible timing differences including provisions/expenditure allowable under warranties, trade receivable, inventory etc)	-	-
Deferred Tax Assets	16,742,167	1,959,598
Valuation Allowance	9,208,378	-
(iii) Deferred tax asset/(liability) net:	7,533,789	1,959,598

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

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

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NOTE 9 - OTHER ASSETS

Amount in ₹

Particulars	As at	
	31st March, 2017	31st March, 2016
Non- current		
Capital advances	552,906,768	598,309,326
Advance other than capital advances		
Secured Deposits	20,173,469	23,800,115
Advance to related parties	-	-
Other advances	-	-
Advances to suppliers & services	186,616,408	173,392,887
Others	4,498,123	6,121,658
Total	764,194,768	801,623,986

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

Current		
Advance other than capital advances		
Secured Deposits	2,591,094	8,071,088
Staff Advance	6,582,088	3,315,135
Other advances	487,532,699	66,341,874
Advances to suppliers & services	1,513,359,982	2,431,541,001
Prepaid expenses	9,121,662	23,350,853
Withholding and other taxes receivable	3,336,466	3,348,985
Others	101,890,901	124,196,089
Total	2,124,414,892	2,660,165,025

Advances to supplier & services are given in the normal course of business operations.

NOTE 10 - INVENTORIES

Amount in ₹

Particulars	As at	
	31st March, 2017	31st March, 2016
<i>(At lower of cost and net realisable value)</i>		
Raw Materials	1,410,740,028	4,175,179,831
Work - in - Progress	924,040,879	1,517,341,676
Finished Goods	29,567,707	317,654,283
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	1,410,740,028	3,244,916,620
Adjusted Work - in - Progress	924,040,879	1,492,050,658
Adjusted Finished Goods	29,567,707	68,229,346
Others	30,626,401	-
Total	2,394,975,015	4,805,196,624

a. Above Inventories includes stock worth Rs.8,625.10 lakhs belongs to SEZ unit at Vizaq, Company has suspended its business operation at Vizaq unit since 1st April 2017.

b. Due to the impact of cyclonic flood HUD HUD in october 2014 at vishakapatanam SEZ plant an amount of Rs.181.40 crores was assessed and the loss of stock /inventories is indicated under exceptional items. The Company has lodged claim with insurance company and the actual loss is yet to be determined. The claim is still pending.

c. Others includes goods in transit.

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NOTE 11 - CASH AND CASH EQUIVALENTS

Amount in ₹

Particulars	As at	
	2017	2016
Balances with banks		
In current and deposit accounts	77,356,293	87,015,308
Cash on hand	3,863,723	4,231,165
Total	81,220,016	91,246,473

NOTE 12 - OTHER BALANCES WITH BANKS

Amount in ₹

Particulars	As at	
	2017	2016
Other Balances with Banks		
Earmarked Balances	2,031,581	2,915,244
Margin Money	718,639	1,427,104
Others	-	-
Deposits with financial institution	-	-
Total	2,750,220	4,342,348

Specified Bank Note Disclosure

In accordance with MCA Notification G.S.R 308(E) Dated March 30,2017 Details of Specified Bank Notes (SBN) And Other Denomination Notes(ODN) held and transacted during the period from November 8th 2016 to December 30,2016 in Indian Subsidiaries are given below:

Particulars	Specified Notes(SBN)	Other Denomination Notes(ODN)
Opening Cash in Hand as on 08.11.2016	NIL	631,815
(-)Permitted payments	NIL	1,057,187
(+)Withdrawals	NIL	2,352,737
(-)Amount deposited in banks	NIL	1,450,515
Closing cash in hand as on 30.12.2016	NIL	476,850

NOTE 13 - EQUITY

Particulars	As at 31.03.2017	As at 31.03.2016
Authorized:		
Equity shares, `10/- par value	375,000,000	375,000,000
375,000,000 (PY 375,000,000) equity shares of Rs10 each		
	375,000,000	375,000,000
Issued, Subscribed and Paid-Up		
242,319,407 Equity Shares of ₹ 10/- each (P.Y.	2,423,194,070	2,423,194,070
242,319,407 Equity Shares of ₹ 10/- each)		
	2,423,194,070	2,423,194,070

Out of the above-

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

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

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Particulars	As at March 31, 2017 No of shares	As at March 31, 2016 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

The details of shareholder holding more than 5% shares as at March 31, 2017 and March 31, 2016 are set out below:

Particulars	As on 31.03.2017		As on 31.03.2016	
	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) Thomas Dietiker	11,926,150	4.92%	13,076,150	5.40%

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. 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 14 - OTHER EQUITY

Amount in ₹

Particulars	As at	
	31st March, 2017	31st March, 2016
Capital Reserves:		
As per last Balance Sheet	-	-
Additions during the year	136,740,011	-
Less: Transfer to Bonus share	-	-
	136,740,011	-
Securities Premium Account:		
As per last Balance Sheet	4,344,718,356	4,344,718,356
Additions on shares issued during the year	521,526,330	-
Less: Bonus Issue of Shares	-	-
	4,866,244,686	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

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Foreign Currency Translation Reserve		
As per last Balance Sheet	1,059,922,690	671,504,084
Add: Adjustment for translation of Non Integral Foreign Operations	(1,602,061,709)	388,418,606
	(542,139,019)	1,059,922,690
Revaluation Reserve:		
As per last Balance Sheet	-	-
Addition during the year (net)	1,418,436,075	-
	1,418,436,075	-
Retained Earnings:		
As per last Balance Sheet	7,784,966,598	10,814,086,704
Less: Appropriations in Changes in accounting policy or prior period errors	1,570,969,624	-
Add: Remeasurement of the net defined benefit liability/asset, net of tax effect	(2,013,297,018)	-
Net Surplus	4,200,699,956	10,814,086,704
Add: Profit/(Loss) for the period	(5,100,724,407)	(24,264,092)
Less: Appropriations		
Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Bonus shares	-	-
Transfer to reserves	-	3,004,856,014
	(900,024,451)	7,784,966,598
Total Other Equity	6,249,600,077	14,459,950,419

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

Due to occurrence of the above event, the entire investment in CSC stands impaired & net profit or loss on such impairment is recognised for the purpose of consolidation during FY 2015-16.

2) The company formed an SPV "Criticare Technologies Inc.," (CTI) to take over the assets of Criticare Systems Inc., (CSI) (excluding Receivables/Payables) through a bidding process, which was approved in our favour as per the court order date 14th December, 2015. The receivables & payables in the books of CSI were reduced from the cost of investment in CSI and the bid prices of ₹ 2,133.80 Lakhs has been treated as investment in CTI during FY 2015-16.

3) Due to loss of control as stated above, an amount of ₹ 31,339.07 Lakhs was reduced from reserves in the Consolidated Financials Statement on account of impairment during the FY 2015-16.

4) During FY 2016-17, Criticare Systems (M) Sdn Bhd Malaysia, subsidiary of CSI USA (step down subsidiary of Opto Cardiac Care Ltd), and Opto Circuits Sdn Bhd, Malaysia (subsidiary of Opto Circuits(India) Ltd) have stopped operations in Malaysia and that no activity took place from respective subsidiaries during the financial year and the certified financial statements were not available for consolidation of Financial Statements. Due to which the previous financial year figures are not comparable.

5) Prior period expenses consist of administrative expenses in the books of Opto Circuits (India) Ltd, Opto Eurocor Healthcare Ltd & AMDL.

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NOTE 15 - BORROWINGS

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Non - Current		
Term Loans		
- from Banks	-	-
Secured	314,176,319.00	652,027,723
Unsecured	-	174,546
	314,176,319	652,202,269
- from other parties		
Secured	-	-
Unsecured	11,048,195.00	11,048,195
	11,048,195	11,048,195
Loans and Advances from related parties		
Secured	-	-
Unsecured	1,825,386	1,825,386
	1,825,386	1,825,386
Long term maturities of finance lease obligations		
Secured	25,291,047	29,209,556
Unsecured	-	-
	25,291,047	29,209,556
Total	352,340,947	694,285,406
Current - Borrowings		
Loans repayable on demand		
- from Banks		
Secured	5,945,217,230	5,903,470,986
Unsecured	2,000,628,740	2,002,084,380
	7,945,845,970	7,905,555,366
- from other parties		
Secured	-	-
Unsecured	1,309,663,332	1,336,686,777
	1,309,663,332	1,336,686,777
Loans and Advances from related parties		
Secured	-	-
Unsecured	14,057,015	967,562,703
	14,057,015	967,562,703
Deposits		
Secured	-	-
Unsecured	-	14,055,018
	-	14,055,018
Other loans and advances (specify nature)		
Secured	800,000	1,000,000
Unsecured	31,541,872	34,139,168
	32,341,872	35,139,168
Total	9,301,908,189	10,258,999,032

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Note**Non-Current Borrowings****Opto Circuits (India) Limited Term Loan**

i) During January 2014, the company has borrowed Term loan of INR 7,75,00,000 from HDFC Bank Limited. The interest rate is fixed @ 14% P.A and is secured by Specified movable Fixed Assets. The loan is repayable in 8 quarterly installments of INR 96,87,500 each. The first installment is slated for April 2015 and the final installment is on January 2017. The entire amount of debt INR 775.00 Lakhs borrowed from HDFC Bank is over Due and as such categorised under current maturities of long term debt. The Management is making efforts to negotiate and settle with said bank for One Time Settlement [OTS] which is under negotiation.

Opto Cardiac Care Limited Term Loan

(i) During December 2015, Opto Cardiac Care Ltd borrowed INR 21,33,80,000 with INDUS IND 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

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

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

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

The entire amount of debt as on 31st March 2017 is INR 21,68,45,292 borrowed from INDUS IND Bank is due for payment, but the rephasing programme is still under consideration

Opto Eurocor Healthcare Limited Term Loan

(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. Repayment is made in 8 equal quarterly installment commencing from May 2013. Interest at 5.5% PA is charged. The loan outstanding as on 31.03.2017 is ₹ 973.31 Lacs (MYR 6.65 million)

Current Borrowings**Opto Circuits India Limited - Working Capital Borrowings**

i) 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. The current assets of the company was given as security to the under multiple banking arrangement viz. state Bank of India, Standard chartered Bank, Indus Ind Bank and DBS Bank.

ii) The Company along with its stepdown subsidiary (CSC) had borrowed funds from DBS Bank Limited. In the year 2014-15 the said loan was restructured and as a part of the said process, Loan of Rs. 126.78 Crores borrowed by the company which was part of the total Loan Agreement was also restructured. As per the terms of the agreement with DBS Bank Limited, upon default by step-down subsidiary (CSC), the bank exercised their right and assigned the debts to a third party and also exercised proxy voting rights to take management control of the Step down overseas subsidiary [CSC]. As result of the above unilateral action of DBS Bank, the loan borrowed by the company to the tune of Rs. 126.78 crores also stands extinguished. [being part of the Loan Agreement dated 31st dec 2014]

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iii) 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.

iv) 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' sharing basis with the members of the banks in Multiple Banking Arrangement. 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. Subsequently the property standing in the name of M/s Altron Hotels pvt ltd was sold for Rs.3200 Lakhs during financial year 2017-18 and proceeds from the sale of said property is paid to Standard Chartered Bank towards part Repayment of the One Time Settlement with Standard Chartered Bank Ltd.

v) Company has working capital facilities with Yes Bank Limited of Rs.3043.47 Lakhs

vii) Company has working capital facilities with The Bank of Nova Scotia . The company has given the security of immovable property of its Subsidiary Opto Infrastructure Limited comprising on all that piece and parcel of land known as Plot No's 2A1, 2A2, 2A3, 2A3(P3), 2B1, 2B2, 2C1, 2C2, 3,4,5,6,7,8,9 and 10 in survey numbers in the Hassan Sector Specific Hard Ware Zone Industrial area within the limits of villages Doddabasavanahalli and Chikkabasavanahalli, Shantigram Hobli, Hassan Taluk, Hassan dist. measuring an total extent of 250 acres.

viii) Current borrowings of Rs 59,441.60 Lakhs includes Cash credit facility of ₹ 17,796.30 Lakhs and Preshipment Credit in Foreign Currency and bill discounting/Post shipment credit in Foreign currency facility, Overdraft and Indian rupee loan of Rs 41,645.30 Lakhs.

ix) Bank of Nova Scotia has issued winding up notice dated 6th March 2014 for recovery of outstanding dues of ₹ 119 crores as on 31st March 2015. The Management is making efforts to negotiate and settle with said bank for One Time Settlement [OTS] which is under negotiation.

x) State bank of India issued a notice under SARFASI Act for recovery of its dues from the company and filed a petition before the debt recovery tribunal Karnataka & also proceeded to auction of company's property situated at plot no. 83, Electronic city phase I, Hosur Road Bangalore. The auction did not take place, the company is negotiation bank for settlement.

xi) State Bank India, The Bank of Nova Scotia, Hdfc Bank Limited, Standard Chartered Bank Ltd, Yes Bank Ltd have suspended charging the interest as these loans are categorised as NPA. The company has not recognised the interest on these borrowings. In View of the above confirmation of balances were not obtained from these banks.

Opto Cardiac Care Ltd - Working Capital Borrowings

(i) During June 2015, Criticare Systems (Malaysia) Sdn Bhd step down subsidiary of Opto Cardiac Care Ltd availed a loan of ₹ 3,209.91 Lakhs (USD 4.98 million) from Bank of India through Standby Letter of Credit. During FY 2016-17, Criticare Technologies Inc., had availed the loan of ₹ 5,052.74 Lakhs (USD 7.79 million) from IndusInd Bank through Standby Letter of Credit. During financial year 2016-17 the above loan was renewed under the Criticare Technologies, Inc. a subsidiary of opto cardiac care ltd and replaced by line of credit for Rs. 5052.74 lacs (USD 7.90 millions) through stand by letter of credit for Indus Ind Bank Ltd.

OPTO CIRCUITS (INDIA) LIMITED

(ii) Opto Cardiac Care Ltd has Pre-shipment Credit in Foreign Currency and Bill Discounting/Post shipment credit in Foreign Currency facility of ₹ 1,961.75 Lakhs (USD 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.

Opto Eurocor Healthcare Ltd - Working Capital Borrowings

(i) The Long term maturities of finance lease obligations of ₹ 252.91 Lacs (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. The company has substantially assumed all the benefits and risk of ownership.

(ii) Eurocor GmbH has obtained a working capital facility from Commertz Bank amounting to ₹ 5608.82 lacs (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.

(iii) Eurocor GmbH has obtained a working capital facility from Hinduja Bank amounting to ₹ 2941.27 lacs (Euro 3.97 Million) secured against accounts receivable and Inventories. Opto Circuits (India) Ltd has extended a Corporate Guarantee in this regard.

(iv) Eurocor Asia has obtained bank facilities from Standard Chartered Bank of ₹ 5658.44 lacs (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. Interest on the same accounted is ₹ 298.00 lacs (MYR 1.76 million).

(v) Eurocor Asia has obtained a CIMB - Foreign Currency Trade Loan (FCTL) from CIMB amounting to ₹ 212.72 lacs (MYR 1.54 million).

NOTE 16 - TRADE PAYABLES

Amount in ₹

Particulars	As at March 31, 2017	As at March 31, 2016
Non Current		
Trade payables- carried at amortized cost	625,367,272	1,252,395,434
Total	625,367,272	1,252,395,434
Current		
Trade payables	398,738,848	1,696,558,709
Total	398,738,848	1,696,558,709

OPTO CIRCUITS (INDIA) LIMITED

NOTE 17 - OTHER FINANCIAL LIABILITIES

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017	As at March 31, 2016
Non-Current		
Sundry Creditors for Expenses	3,663,226	3,663,226
Total	3,663,226	3,663,226
Current		
Current maturities of long-term debt	77,839,920	84,085,302
Unpaid dividends	650,693	3,112,165
Unclaimed dividends	2,031,581	3,702,649
Provision for Dividend & Dividend Tax	490,765,909	490,765,909
Statutory Dues Payables	85,679,277	87,601,076
Sundry Creditors for Capital goods	208,463,775	591,723
Sundry Creditors for Expenses	1,314,273,037	148,934,466
Sundry Creditors for Expenses	1,323,745,232	194,223,896
Total	2,179,704,192	818,793,290

(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.

(b) Sundry creditors for Capital goods includes advance of Rs 2,079 Lakhs, towards sale of land measuring 39,639.25 sq ft, building & furniture belongs to Altron Hotels Pvt Ltd which is step down subsidiary of Opto Circuits (India) Ltd. Sale was executed on 1st April 2017.

NOTE 18 - PROVISIONS

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017	As at March 31, 2016
Non-Current		
Provision for Leave Encashment	2,054,353	2,184,267
Provision for Gratuity	-	200,000
Other Provisions	38,496,426	35,817,235
Total	40,550,779	38,201,502
Current		
Provision for Warranty	22,526,457	10,627,166
Provision for Leave Encashment	8,785,784	8,788,809
Provision for Gratuity	2,398,934	3,098,598
Other Provisions	1,090,991,962	-
Total	1,124,703,137	22,514,573

Other Provisions include provision for stock written-off & doubtful debts.

NOTE 19 - OTHER LIABILITIES

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017	As at March 31, 2016
Non Current		
Advances	-	-
Others	-	-
Total	-	-
Current		
Revenue received in advance	90,906,204	74,217,805
Other advances	-	14,856,994
Others	-	-
Total	90,906,204	89,074,799

OPTO CIRCUITS (INDIA) LIMITED

NOTE 20 - REVENUE FROM OPERATIONS

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017	As at March 31, 2016
Income from sale of products	2,011,163,809	2,987,551,049
Income from Sale of Services	129,908,790	128,345,310
Other operating Revenues	11,846,894	13,868,425
Total	2,152,919,493	3,129,764,784

NOTE 21 - OTHER INCOME

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017	As at March 31, 2016
Interest Income	1,744,726	51,074,142
Dividend Income	1,866	-
Net gain on sale of assets	144,320	38,165,824
Exchange gains/(losses) on translation of other assets and liabilities	2,859,634	225,690,328
Miscellaneous income, net	2,200,016	23,120,929
Total	6,950,562	338,051,223

NOTE 22 - COST OF MATERIALS CONSUMED

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017	As at March 31, 2016
Opening stock	4,175,179,831	5,377,907,815
Less: Exclusion of Opening Stock relating to Opto Circuits (Malaysia) Sdn. Bhd	2,361,444	-
Less: Exclusion of Opening Stock relating to Criticare Systems (Malaysia) Sdn. Bhd	947,318,055	-
Less: Exclusion of Opening Stock relating to N S Remedies Pvt Ltd	1,786,915	-
Less: Exclusion of Opening Stock relating to Cardiac Science Corp.	-	644,007,569
Adjusted Stock	3,223,713,417	4,733,900,246
Add: Purchases	767,966,892	1,334,417,906
	-	-
Less: Closing stock	1,410,740,028	4,175,179,831
	2,580,940,281	1,893,138,321
Material consumed comprises:		
Less: R&D Product Development Expenses	-	1,024,344,125
Less: Discount on obsolete stock	391,778,097	-
Less: Provision for Non Moving Stock	1,399,747,246	-
Cost of material consumed	789,414,938	868,794,196
MANUFACTURING AND OPERATING COST		
Consumption of stores and spare parts	706,490	986,499
Customs Duty & Supervision Charges	-	371,322
Freight, Handling, Octroi and Others	5,253,647	23,629,158
Insurance	13,936,724	22,028,060
Labour Charges & Job Work	19,432,157	84,792,382
Power & Fuel	10,280,106	9,710,178
Production Supplies	-	3,414,374

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R&D,Product Development Expenses	53,690,357	389,299,786
Repairs & Maintenance - Building	1,003,187	3,491,621
Repairs & Maintenance - Electricals & Others	15,488,544	20,576,350
Repairs & Maintenance - Plant & Machinery	2,481,520	2,260,617
Service Charges	107,036	186,549
Spares - materials	-	14,993,842
Tooling Charges	6,400,535	6,233,700
Warranty Purchases	12,935,326	-
Total Cost of material consumed	931,130,567	1,450,768,634

- a. Due to loss of controlling interest in Cardiac Science Corporation, the inventories have been restated.
- b. Criticare Systems (M) Sdn Bhd Malaysia, subsidiary of CSI USA (step down subsidiary of Opto Cardiac Care Ltd), and Opto Circuits Sdn Bhd, Malaysia (subsidiary of Opto Circuits(India) Ltd) have stopped operations in Malaysia and that there are no activity took place during the financial year and that not being material, the financials were not available for consolidation of Financial Statements and as a consequence of which the previous financial year figures are not comparable.
- c. 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 ₹ 536.90 Lakhs has been spent.

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

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017	As at March 31, 2016
Inventories at the end of the year:		
Finished goods	29,567,707	317,654,283
Work-in-progress	924,040,879	936,595,135
Stock-in-trade		
	953,608,586	1,254,249,418
Inventories at the beginning of the year:		
Finished goods	317,654,283	501,168,957
Work-in-progress	936,595,135	995,264,796
Stock-in-trade	-	-
<u>Less: Exclusion of Opening Stock relating to Cardiac Science Corp.</u>		
Finished goods	-	197,112,700
Work-in-progress	-	15,726,940
Stock-in-trade	-	-
<u>Less: Exclusion of Opening Stock relating to Criticare Systems (Malaysia) Sdn. Bhd</u>		
Finished goods	273,617,730	-
Work-in-progress	6,703,969	-
Stock-in-trade	-	-
<u>Less: Exclusion of Opening Stock relating to Opto Circuits (Malaysia) Sdn. Bhd</u>		
Finished goods	-	-
Work-in-progress	18,424,602	-
Stock-in-trade	-	-

<u>Less: Exclusion of Opening Stock relating to N S Remedies Pvt Ltd</u>		
Finished goods	-	-
Work-in-progress	565,308	-
Stock-in-trade	-	-
Adjusted Finished goods	44,036,553	304,056,257
Adjusted Work-in-progress	910,901,256	979,537,856
Adjusted Stock-in-trade	-	-
	954,937,809	1,283,594,113
Net (increase) / decrease	1,329,223	29,344,695

NOTE 24 - EMPLOYEE BENEFIT EXPENSES

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017	As at March 31, 2016
Salaries and wages	335,997,649	449,491,124
Contribution to provident and other funds	18,881,683	24,610,003
Expense on ESOP and ESPP	-	-
Staff welfare expenses	32,821,688	53,848,693
Total	387,701,020	527,949,820

NOTE 25 - FINANCE COSTS

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017	As at March 31, 2016
Interest expense	157,614,285	417,464,122
Other borrowing costs	1,960,206	1,494,899
Bank Charges	11,139,400	17,272,607
Exchange differences regarded as an adjustment to borrowing costs	-	401,125
Total	170,713,891	436,632,753

NOTE 26 - OTHER EXPENSES

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017	As at March 31, 2016
ADMINISTRATIVE EXPENSES:		
Audit fee	4,681,958	7,973,551
Advertisement & Trade Shows	5,459,975	12,099,932
Bad Debts	148,944,141	64,908,809
Commission	49,917,504	53,616,874
Discount	1,965,033	1,453,194
Directors Remuneration	8,549,043	19,963,848
Donation	6,000	-
Electricity & Water Charges	6,931,766	7,915,162
General Expenses	13,259,210	44,590,622
Membership, Books & Periodicals	268,946	832,491

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Miscellaneous expenses	9,950,838	19,627,809
Net loss on foreign currency transaction and translation	3,681,623	63,053,113
Net loss on sale of assets	-	162,687,300
Office Maintenance	7,900,668	11,130,096
Outside Labour	13,462,933	62,204,610
Postage, Telephone & Fax Charges	8,411,754	14,412,461
Printing & Stationery	8,656,672	6,645,830
Prior period items	117,026,993	127,947,937
Professional Consultancy Charges	1,432,590	5,223,348
Quality Certification, Patent & FDA Expenses	13,554,516	8,503,475
Rates & Taxes	22,938,064	37,314,888
Rent	46,701,730	50,383,067
Travelling & Conveyance	493,701,957	782,488,417
Total A	493,701,957	782,488,416
SELLING EXPENSES:		
Business Promotion Expenses	2,461,928	3,807,465
Clearing Charges	5,406,598	4,330,049
Freight & Handling Charges	33,084,724	26,481,681
Packing Materials	2,128,660	6,572,834
Transportation	20,000	8,117
	-	-
Total B	43,101,910	41,200,146
Total (A+B)	536,803,867	823,688,563

NOTE 27 - EXCEPTIONAL ITEMS

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017	As at March 31, 2016
Opto Circuits (India) Ltd		
Provision for writing-off Long Term Trade Receivables	2,225,909,203	-
Provision for writing-off Non Moving Stock	1,399,747,246	-
Opto Cardiac Care Ltd		
Provision for writing-off Long Term Trade Receivables	764,991,822	-
Opto Eurocor Healthcare Ltd		
Provision for writing-off Non Moving Stock	373,490,150	-
Loss on sale of investment in N S Remedies Pvt Ltd (subsidiary of Opto Eurocor Health Care Ltd)	47,490,000	-
Reversal of Foreign Exchange difference on the re-statement of debtors.	32,117,063	-
Creditors no longer payable	-	(86,857,209)
Advanced Micronic Devices Ltd		
Provision for service tax liability for the FY 2013-14	28,691,274	-
Provision for sales tax liability for the FY 2010-11	114,292,860	-
Total	4,986,729,618	(86,857,209)

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

OPTO CIRCUITS (INDIA) LIMITED

2) In respect of Opto Circuits (India) Ltd, stocks are specifically earmarked for Cardiac Science Corporation, USA and Criticare System Inc, USA. Due to hostile take over of these subsidiaries through the action of DBS Bank Ltd, these stocks are no more usable and hence the provision has been made for such non moving stock. Company would seek the requisite approvals for such write off from Regulatory Authority.

3) In the case of Opto Eurocor Healthcare Ltd, stocks became obsolete & lost its shelf life. Hence, the provision is made for such non-moving stock. Company would seek approval for such write-off from appropriate authority.

4) Loss on Sale of investment in N S Remedies Pvt Ltd (subsidiary of Opto Eurocor Health Care Ltd) On 23/11/2016 Opto Eurocor Health Care Ltd (100% subsidiary of Opto Circuits (India) Ltd) sold its entire investment in N S Remedies Pvt Ltd for Rs. 125.10 lacs and incurred a loss of Rs.474.90 lacs, which is accounted as an exceptional item in the consolidated financial statements.

NOTE 28 - OTHER COMPREHENSIVE INCOME

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017	As at March 31, 2016
Items that will not be reclassified to profit or loss		
Remeasurement of the net defined benefit liability/asset	-	349,208,124

NOTE 29. EARNINGS PER SHARE

Amount in ₹

Particulars	For the year ended	
	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Net Profit after tax	(5,100,724,407)	(373,472,215)
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*	(21.05)	(1.54)

*EPS for previous year has been restated.

NOTE 30 - RETIREMENT BENEFITS TO EMPLOYEES

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

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NOTE 31 - CONVERSION RATES USED FOR FOREIGN FINANCIAL ON 31ST MARCH 2017 ARE AS FOLLOWS:

Amount in ₹

Particulars	Opening rate	Average Rate	Closing Rate
	₹	₹	₹
USD	66.3329	65.5858	64.8386
Euro	75.0955	72.1716	69.2476
MYR	17.0957	15.8704	14.6451
SGD	49.1575	47.7867	46.4158

NOTE 31 A - CONTINGENT LIABILITY:

Amount in ₹

Particulars	As at March 31, 2017 ₹	As at March 31, 2016 ₹
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 Lakh for the assessment year 2012- 2013.

NOTE 31 C - 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	179,772,873
2012-13	117,930,798	20,048,236	137,979,034
TOTAL	381,834,688	111,589,168	493,423,856

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

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NOTE 31 D - INCOME TAX DEMANDS

Opto Circuits (India) Ltd.

- 1) The Income Tax Department has raised a demand for tax of Rs 14.16 Lakhs for the AY 2004-05 for which company has preferred an appeal before the commissioner of Income Tax (Appeal) III. Pending disposal for this, the company has not provided liability for Income Tax.
- 2) The Income Tax Department has raised a demand for tax of RS 635.98 Lakhs,586.41 Lakhs,365.46 Lakhs for the AY 2007-08,AY 2010-11,AY 2011-12 respectively for which company has preferred an appeal before the commissioner of income Tax (Appeal) III.Pending disposal for this,the company has not provided liability for Income Tax) The Income Tax Department has raised a demand for tax of Rs 14.16 Lakhs for the AY 2004-05 for which company has preferred an appeal before the commissioner of Income Tax (Appeal) III. Pending disposal for this, the company has not provided liability for Income Tax.
- 3) The Income Tax Department transfer pricing circle raised a penalty for 204.37 Lakhs against which company has preferred an appeal before the commissioner of income tax (Appeal) III.pending disposal for this,the company has not provided liability for Income Tax.
- 4) Outstanding TDS Demands as per TRACES for the AY 2013-2014,AY 2014-15,AY 2015-16,AY 2016-17,AY2017-18 aggregating to RS 15.71/- Lakhs for which company has not provided liability for Income Tax

Opto Cardiac Care Ltd

- 1) The Income-tax department has raised a demand for the AY 2012-13 of Rs 1,913.67 Lakhs, AY 2013-14 of Rs 982.14 Lakhs & AY 2014-15 of Rs 624.13 Lakhs which is inclusive of tax demand, interest & penalty.

Opto Eurocor Healthcare Ltd

- 1) The income-tax department has raised a demand u/s 226(3) for the Assessment Year 2012-13 amounting to Rs 38.01 Crores, for which company has not provided any liability in the books.

NOTE 32 - RESEARCH AND DEVELOPMENT

The Group has only one Business Segments viz Health Care.

NOTE 33 - RELATED PARTY DISCLOSURES:

Name of the related party and nature of relationship where control exists:

Amount in ₹

Name of Related Party	Nature of Relationship	% of Holding
1) Advanced Micronic Devices Limited	Subsidiary Company	59.71%
2) Mediad Inc., USA	Subsidiary Company	100.00%
3) Devon Innovations Private Limited	Subsidiary Company	100.00%
4) Ormed Medical Technology Limited	Subsidiary Company	100.00%
5) Opto Infrastructure Limited	Subsidiary Company	87.06%
6) 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	94.93%
10) Criticare System Inc.,*	Step-down Subsidiary company	NA
11) Unetixs Vascular Inc.,	Step-down Subsidiary company	NA
12) Criticare Technologies 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

* Criticare Systems Inc.- Under Liquidation

** SPV formed for take over of CSI Asset

OPTO CIRCUITS (INDIA) LIMITED

KEY MANAGEMENT PERSONNEL

Name of Related Party	Relationship
1) Vinod Ramnani	Key Management Personnel
2) G C Somadas	Key Management Personnel
3) Sundar Venkataraman	Key Management Personnel
4) Jayesh C Patel	Key Management Personnel
5) Thomas Dietiker	Key Management Personnel

NOTE 34

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

Amount in ₹

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	102.62%	89,232.23	71.37%	(36,404.13)
Subsidiaries				
Indian				
Advance Micronic Devices Ltd, India	-5.33%	(4,637.46)	5.68%	(2,896.00)
Opto Eurocor Healthcare Ltd, India	38.23%	33,238.86	6.83%	(3,484.95)
Ormed MedicalTechnology Ltd, India	0.50%	432.20	-0.05%	24.92
Devon Innovations Pvt. Ltd, India	1.43%	1,246.05	-0.38%	195.88
Opto Infrastructure Ltd, India	21.21%	18,438.70	0.00%	-
Opto Cardiac Care Ltd, India	-41.06%	(35,704.62)	15.81%	(8,064.61)
Foreign				
Mediaid Inc. USA	28.23%	24,548.74	0.29%	(149.15)
Opto Circuits (Malaysia) Sdn. Bhd, Malaysia	0.00%	-	0.00%	-
Maxcor LifeScience Inc, USA	0.00%	-	0.00%	-
Minority Interests in all subsidiaries	1.83%	1,593.15	0.35%	(176.76)
Effect of intercompany adjustments	-47.65%	(41,434.16)	0.10%	(52.45)
TOTAL	100%	86,953.69	100%	(51,007.24)

NOTE 35

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 of OPTO CIRCUITS (INDIA) LIMITED

VINOD RAMNANI G C SOMADAS SUNDAR VENKATARAMAN
Chairman Managing Director CFO

As per our report of even date

FOR B V SWAMI & CO.
Chartered Accountants

A AMARANATH
Partner
Membership Number: 213629
Firm Registration Number: 0091515

Place: Bengaluru
Date: 30th May, 2017

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

SI No.	Name of Subsidiary and Country of Incorporation	Exchange Rate	Share Capital	Reserves & Surplus	Total assets	Total Liabilities (excluding share-capital & reserve & surplus)	Investments	Turnover	Profit/ (loss) before taxation	Provision for taxation	Profit/ (loss) after taxation	Proposed Dividend	% of Share-holding
1	Advanced Micronic Devices Limited, India		528.11	(5,165.57)	926.17	5,564.65	1.02	301.93	(2,896.00)	-	(2,896.00)	-	59.71%
2	Opto Eurocor Healthcare Ltd. India		6,741.96	26,496.89	94,836.68	61,597.82	-	5,727.04	(3,484.95)	-	(3,484.95)	-	94.93%
3	Mediaid Inc. USA	1 USD = Rs.64.8386	4,455.49	20,093.25	30,521.13	5,972.39	-	668.02	(142.72)	6.43	(149.15)	-	100%
4	Ormed MedicalTechnology Ltd, India		25.00	407.20	598.79	166.60	-	503.27	36.07	11.15	24.92	-	100%
5	Devon Innovations Pvt. Ltd, India		10.00	1,236.05	2,419.75	1,173.69	-	828.61	244.54	48.66	195.88	-	100%
6	Opto Infrastructure Ltd, India		2,067.45	16,371.25	29,971.93	11,533.23	-	-	-	-	-	-	87.06%
7	Opto Circuits (Malaysia) Sdn. Bhd, Malaysia	"1 MYR = Rs. 14.6451"	-	-	-	-	-	-	-	-	-	-	100%
8	Maxcor LifeScience Inc, USA	1 USD = Rs.64.8386	-	-	-	-	-	-	-	-	-	-	100%
9	Opto Cardiac Care Ltd, India		5,005.50	(40,710.12)	34,756.15	70,460.77	-	8,818.97	(8,049.84)	14.77	(8,064.61)	-	100%

SAFE HARBOUR

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

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

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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 25th Annual General Meeting of the Members of Opto Circuits (India) Limited, will be held on Tuesday, September 05, 2017 at 11.00 AM at the Registered Office of the Company situated at Plot No. 83, Electronic city, Hosur Road, Bangalore – 560 100, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) including the Audited Balance Sheet as at March 31, 2017, the Statement of Profit and Loss for the financial year ended as on that date together with the Reports of the Board of Directors and the Auditors thereon;
2. To consider appointment of a Director in place of Dr. Suchitra Misra, (DIN:02254365) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for re-appointment;
3. To consider appointment of a Director in place of Mr.Vinod Ramnani, (DIN:01580173) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment
4. To consider and approve appointment of Statutory Auditors;
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 (including any statutory modification(s) or re-enactment thereof, for the time being in force) approval of the Members of the Company be and is hereby accorded to appoint Messrs B.V. Swami & Co., Chartered Accountants, Bangalore (Registration Number 009151S) as Statutory Auditors of the Company to hold office for a period of three years from the conclusion of this Annual General Meeting till the conclusion of the 28th Annual General Meeting of the Company, subject to ratification of their appointment by Members at every Annual General Meeting for audit of the financial statements, at a remuneration to be decided by the Audit and Risk Management Committee of the Board of Directors in consultation with the Auditors.”

SPECIAL BUSINESS:

5. **Appointment of Mr.Somadas G C (DIN:00678824) as Managing Director of the Company.**
To consider and if thought fit, to pass, the following resolution as a Special Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and the Articles of Association of the Company, the Company hereby approves the appointment of Mr. Somadas G C (DIN 00678824) as Managing Director of the Company for a period of three years with effect from April 16, 2017 on a remuneration of Rs. 78 Lakhs (Rupees Seventy Eight Lakhs only) per annum.
RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval / consent from the Government departments, if any, required in this regard.
RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and is hereby also authorized to amend, alter, modify or otherwise vary the terms and conditions of appointment of Mr. Somadas G C as Managing Director, including remuneration and annual incremental thereof, but such remuneration shall not exceed the limits specified in the Companies Act, 2013.”
6. **Appointment of Mr. Nanjappaiah Madgondapalli Ramu (DIN: 07268616) as Director of the Company;**
To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under (including any statutory modification(s) or re-enactment thereof) and the Articles of Association of the Company, Mr. Nanjappaiah Madgondapalli Ramu (DIN: 07268616), who was appointed as an Additional Director of the Company by the Board of Directors at its Meeting held on April 16, 2017 in terms of Section 161(1) of the Companies Act, 2013 and whose term

of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing pursuant to Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall not be liable to determination by retirement of Directors by rotation.”

7. Appointment of Mr. Nanjappaiah Madgondapalli Ramu (DIN: 07268616) as an Independent Director of the Company;

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and such other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Articles of Association of the Company, as may be in force from time to time, Mr. Nanjappaiah Madgondapalli Ramu (DIN: 07268616), Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for a term up to the conclusion of the 30th Annual General Meeting of the Company, not liable to retire by rotation.”

8. Re-appointment of Mr. Rajkumar Tulsidas Raisinghani (DIN: 01411084) as an Independent Director;

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

“**RESOLVED THAT** pursuant to the provisions of 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 re-enactment thereof for the time being in force), Mr. Rajkumar Tulsidas Raisinghani (DIN: 01411084), Independent Director of the Company whose period of office is liable to expire on conclusion of ensuing Annual General Meeting, who has submitted a declaration that he meets the criteria of independence under Section 149(6) of the Companies Act, 2013 and who is eligible for re-appointment for a second term under the provisions of the Companies Act, 2013 and Rules made there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, be and is hereby re-appointed as an Independent Director of the Company for a second term of five years, to hold office up to the conclusion of the 30th Annual General Meeting of the Company and the term shall not be subject to retirement by rotation.”

9. Issue of further Shares on Stock Swap basis to the Shareholders of Opto Eurocor Healthcare Limited;

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

“**RESOLVED THAT** pursuant to the provisions of Sections 42, 62, and any other applicable provisions of the Companies Act, 2013 read with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), any other applicable laws, Regulations, policies or guidelines, the provisions of the Memorandum of Association and Articles of Association of the Company, the Foreign Exchange Management Act, 2000 (‘FEMA’) and the relevant Rules there under and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the “SEBI ICDR Regulations”), Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI Takeover Regulations”), and amendments thereto the regulations/guidelines, if any, prescribed by the Reserve Bank of India (“RBI”), the Foreign Investment Promotion Board (“FIPB”), the Securities and Exchange Board of India (“SEBI”), the Government of India (“GoI”) and all other relevant Statutory, Governmental Authorities or Departments, Institutions or Bodies in this regard (collectively, the “Appropriate Authorities” and individually, the “Appropriate Authority”) and pursuant to SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of them while granting such approvals, consents, sanctions and permissions as may be necessary or which may be agreed to, by the Board of Directors of the Company (the “Board”) which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution), to create, offer, issue and allot, from time to time, in one or more tranches, through a private placement and / or any other nature of offerings as may be permitted under applicable laws, 3,68,04,768 (Three Crore Sixty Eight Lakhs Four Thousand Seven Hundred Sixty Eight only) Equity Shares of Rs. 10/- each of the Company at a price of Rs.15/- Per Share, in exchange for 14,15,568 (Fourteen Lakhs Fifteen Thousand Five Hundred Sixty Eight 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 with the details of the proposed allottees as detailed under the Explanatory Statement, Item No.9.

RESOLVED FURTHER THAT in accordance with the provisions of Chapter VII and Regulation 71 of the SEBI ICDR Regulations, the “Relevant Date” for the purpose of calculating the floor price for the issue of Equity Shares is 4th August, 2017.

RESOLVED FURTHER THAT the Equity Shares to be allotted pursuant to the aforesaid preferential allotment shall rank pari-passu

in all respects including as to dividend, with the existing fully Paid up Equity Shares of face value of Rs. 10/- each of the Company, subject to lock-in as per requirements of SEBI ICDR Regulations and subject to the relevant provisions contained in the Memorandum of Association and Articles of Association of the Company and the Equity Shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals.

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

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

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

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

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

10. Issue of further shares on preferential basis to Associate.

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

“RESOLVED THAT pursuant to the provisions of Sections 42, 62, and any other applicable provisions of the Companies Act, 2013 read with the provisions of the Companies (Share Capital and Debentures) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), any other applicable laws, Regulations, policies or guidelines, the provisions of the Memorandum of Association and Articles of Association of the Company, the Foreign Exchange Management Act, 2000 ('FEMA') and the relevant Rules there under and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (the “SEBI ICDR Regulations”), Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“SEBI Takeover Regulations”), and amendments thereto, the regulations/guidelines, if any, prescribed by the Reserve Bank of India (“RBI”), the Foreign Investment Promotion Board (“FIPB”), the Securities and Exchange Board of India (“SEBI”), the Government of India (“GoI”) and all other relevant statutory, Governmental Authorities or Departments, Institutions or Bodies in this regard (collectively, the “Appropriate Authorities” and individually, the “Appropriate Authority”) and pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and subject to such terms and conditions or modifications thereto as may be prescribed or imposed by any of them while granting such approvals, consents, sanctions and permissions as may be necessary or which may be agreed to, by the Board of Directors of the Company (the “Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution), to create, offer, issue and allot, from time to time, in one or more tranches, through a private placement and / or any other nature of offerings as may be permitted under applicable laws; 85,74,681 (Eighty Five Lakhs Seventy Four Thousand Six Hundred Eighty One) Equity Shares of face value of Rs. 10/- each (“Equity Shares”) fully paid up, upon conversion of loan, at

such price (including premium) being not less than the price determined in accordance with Chapter VII of SEBI ICDR Regulations, on a preferential basis, so that the total value of the number of Equity Shares so issued at a price not less than the price determined in accordance with Chapter VII of SEBI ICDR Regulations aggregates to not more than Rs. 12,86,20,215/- (Twelve Crores Eighty Six Lakhs Twenty Thousand Two Hundred Fifteen only) to Associate as detailed under the Explanatory Statement, Item No. 10 on such terms and conditions and in such manner, as the Board may think fit in its absolute discretion.

RESOLVED FURTHER THAT in accordance with the provisions of Chapter VII and Regulation 71 of the SEBI ICDR Regulations, the "Relevant Date" for the purpose of calculating the floor price for the issue of Equity Shares is 4th August, 2017.

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

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

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

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

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

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

11. Fees for delivery of any document through a particular mode of delivery to a Member;

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

"RESOLVED THAT pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules prescribed there under, upon receipt of a request from a member for delivery of any document through a particular mode an amount of Rs. 10/- (Rupees Ten Only) per sheet, over and above reimbursement of actual expenses incurred by the Company, be levied as and by way of fees for sending the document to him in the desired particular mode.

RESOLVED FURTHER THAT the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper, desirable or expedient and to settle any question, difficulty, or doubt that may arise in respect of the matter aforesaid, including determination of the estimated fees for delivery of the documents to be paid in advance.”

By order of the Board

For OPTO CIRCUITS (INDIA) LIMITED

Supriya Kulkarni

Company Secretary

Membership No A22794

Place: Bengaluru

Date : August 01, 2017

NOTES

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- A proxy in order to be valid should be duly completed and stamped and deposited with the Company at the Registered Office at least 48 hours before the commencement of the meeting. 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.
- 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.
- 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.
- 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.
- Explanatory statement pursuant to Section 102 of the Companies Act, 2013 with respect of business under item nos. 5 to 11 as set out in the Notice is annexed hereto.
- Pursuant to provisions of Section 91 of Companies Act, 2013, The Register of Members and the Share Transfer Books will remain closed from August 31, 2017 to September 05, 2017 (both days inclusive).
- 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.
- 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.
- Members are requested to address all correspondence to the Register and Share Transfer Agent of the Company, Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032. E mail: mailmanager@karvy.com.
- Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company or the Registrar and Share Transfer Agents of the Company, Karvy Computershare Private Limited. Members are requested to note that dividends not encashed or not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be, as per Section 124 of the Companies Act, 2013, transferred to the Investors Education and Protection Fund.
- 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.
- 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.
- 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.
- With a view to using natural resources responsibly, we request Members 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.
- All documents referred to in the Notice will be available for inspection at the Company's Registered Office during normal business hours on normal working days up to the date of AGM.

17. Members may also note that the notice of the 25th Annual General Meeting and the Annual Report 2016-17 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, Practising Company Secretary, Bangalore (Membership No.1788) has been appointed as Scrutinizer to scrutinize the e-voting process and poll to be taken at the Meeting in a fair and transparent manner.
20. The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days (48 hours) of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
21. The results of the Annual General Meeting shall be declared forty eight hours from the conclusion of the Annual General Meeting. The e-voting results along with the Scrutinizer's Report shall be placed on the Company's website www.optoindia.com and on the website of Karvy. The results will also be communicated to the Stock Exchange(s) where the Shares of the Company are listed.
22. Further, members may note the following:
 - a. Remote e-voting shall not be allowed beyond the said date and time.
 - b. The Company is providing facility to vote on a poll to the members present at the meeting.
 - c. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - d. A person whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting in the General Meeting.
23. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, substituted by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is providing facility for e-voting to all the members. A Separate e-voting instructions slip has been sent explaining the process of e-voting with necessary user id and password along with procedure for such e-voting. Such e-voting facility is in addition to the voting through Ballot papers that may take place at the meeting venue on Tuesday September 05, 2017. The members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their vote again.
24. Additional information pursuant to Regulation 36 of the SEBI (Listing 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	Dr.Suchitra Misra	Mr. Somadas GC	Mr. Vinod Ramnani	Mr.Nanjappaiah Madgondapalli Ramu	Mr.Rajkumar Raisinghani
Date of Birth	04.02.1960	08/09/1952	16/06/1956	23/01/1941	10.06.1952
Date of appointment	31.03.2015	26/04/2016	08/06/1992	16/04/2017	31.12.2005
Relationship with other Director	NA	NA	NA	NA	NA
Expertise in Specific Functional area	Dr. Suchitra Kaul Misra is a Doctor of Philosophy from Mysore University. The focus of her research has been therapeutic humor and its application as a powerful energy. She did her Bachelor of Arts with English Honors from Nowrosjee Wadia College. She topped her Masters of Arts with gold medals in English Literature from Lucknow University.	Mr.GC. 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	Mr.Vinod Ramnani has been known for his strategic acumen that has been one of the key factors for the outstanding ascend of Opto Circuits over the past decade. Based out of Opto's headquarters in Bengaluru, India, his direction has been successful in effectively integrating acquired companies and product lines across the globe. His complete involvement with business on a daily basis has ensured that processes and operations are in tandem with the Group's ambitious plans and goals.	Mr. Nanjappaiah Madgondapalli Ramu, currently associated as Director on Board of Mysore Stoneware Pipes and Potteries Limited, brings in a vast experience, over five decades, and wide exposures in areas of Stock and Debt market. He as served as Member of Bangalore Stock Exchange from 1964 to 1994 and also acted as official broker of RBI and various Banks to deal in debt market and handled advisory role over forty Companies related to PF Investment.	Mr. Rajkumar Raisinghani owns an Electrical Goods manufacturing unit. He has over 25 years of work experience. He was working in a large manufacturing unit in Mumbai, prior to venturing out on his own.

Qualification	Bachelor of Arts with English Honors & Master of Arts in English, Doctorate in Philosophy from Mysore University.	BSc., FCA,	B.E. Mechanical Engineering	-	Diploma in Electrical Engineering
Directorship in other companies	1. Devon Innovations Pvt Ltd 2. Purvankara Ltd	1. Advanced Micronic Devices Ltd 2. Opto Eurocor Healthcare Ltd 3. Opto Cardiac Care Ltd 4. Ormed Medical Technology Ltd	1. Opto Infrastructure Ltd	1. Mysore Stoneware Pipes and Potteries Limited,	1. Advanced Micronic Devices Ltd 2. Opto Infrastructure Ltd
Membership of the Committees of the Board Committees in all Companies	Membership: 03 (Three) Audit & Risk Management Committee: Opto Circuits (India) Ltd Puravankara Limited Stakeholders Relationship Committee: Opto Circuits (India) Ltd	Chairmanship 4 (Four) Audit & Risk Management Committee: Opto Eurocor Healthcare Ltd Opto Cardiac Care Ltd Stakeholders Relationship Committee: Opto Eurocor Healthcare Ltd Opto Cardiac Care Ltd Membership: 2 (two) Audit & Risk Management Committee: Advanced Micronic Devices Ltd Stakeholders Relationship Committee: Advanced Micronic Devices Ltd	Membership: 2(Two) Audit & Risk Management Committee: Opto Infrastructure Ltd Stakeholders Relationship Committee: Opto Circuits (India) Ltd,	Chairmanship: 1 (One) Audit & Risk Management Committee: Opto Circuits (India) Ltd	Chairmanship 4 (four) Audit & Risk Management Committee: Advanced Micronic Devices Ltd Opto Infrastructure Ltd Stakeholders Relationship Committee: Opto Circuits (India) Ltd Advanced Micronic Devices Ltd Membership Audit & Risk Management Committee: Opto Infrastructure Ltd
Shareholding in the Company*	81	NIL	3,40,43,581	NIL	93,700

*As on 31st March 2017.

Considering the working knowledge, qualifications and experience of the 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 : August 01, 2017

Explanatory Statement

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

Item No.5

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on April 16, 2017, approved the appointment of Mr. Somadas G.C (DIN: 00678824) as Managing Director, with remuneration subject to the approval of the Members.

The principal terms and conditions and Remuneration payable are as follows:

1. Tenure: For a period of 3 years effective from April 16, 2017.
2. Remuneration: As the Company has no profits, proposed remuneration of Rs. 78 Lakhs (Rupees Seventy Eight Lakhs only) per annum, is as per Section II of Part II (B) of Schedule V of the Companies Act, 2013.
3. Appointment is subject to approval by the Shareholders by way of a Special Resolution.

Members are further informed that on 12th September, 2016, the Central Government notified amendments to Section II of Part II of Schedule V of the 2013 Act. The notification is effective from the date of its publication in the Gazette i.e. 12th September, 2016. This issue of First Notes aims to provide an overview of the key amendments in Schedule V relating to remuneration payable by companies having no profit or inadequate profit without Central Government approval.

As per Section II of Part II (B) of Schedule V of the Companies Act, 2013, in case of a managerial person who is functioning in a professional capacity, no approval of Central Government is required, if such managerial person is not having any interest in the capital of the company or its holding company or any of its subsidiaries directly or indirectly or through any other statutory structures and not having any direct or indirect interest or related to the directors or promoters of the company or its holding company or any of its subsidiaries at any time during the last two years before or on or after the date of appointment and possesses graduate level qualification with expertise and specialized knowledge in the field in which the company operates.

The terms of appointment of Mr. Somadas G C as Managing Director as stated in the Notice may be treated as abstract under Section 190 of the Companies Act, 2013. The copies of the relevant resolution of the Board in respect of the above appointment are available for inspection by the members at the Registered Office of the Company during working hours on any working day till the date of this Annual General Meeting.

For utilizing the vast experience and knowledge of Mr. Somadas G C (DIN: 00678824), a Fellow member of The Institute of Chartered Accountants of India, who has previously served the Board as Independent Director, it would be in the interest of the Company to appoint Mr. Somadas G C, as Managing Director of the Company w.e.f April 16, 2017 on above mentioned terms and conditions with a remuneration of Rs. 78 Lakhs p.a.

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 recommends the resolution as set out in item No. 5 for the shareholders approval by way of Special Resolution.

Except Mr. Somadas G C or his relatives none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolution set out at item no 5.

The following additional information as required under Schedule V of the Companies Act, 2013 is given below:

I. General Information:

1. Nature of Industry - manufacture of medical equipment & devices.
2. Date or expected date of commencement of commercial production: December 1992
3. In case of new companies expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable.
4. Financial Performance based on given indicators:

Particulars for the year ended March 31st	2017	2016
Revenue from operations		
Sales/Income from Operations	5,038.01	7,667.15
Other income (net)	-	-
Total income	5,038.01	7,667.15
Expenses		
Operating Expenditure	2,802.82	4,433.90
Depreciation and amortization expenses	879.45	949.60
Other expenses	735.09	887.61
Total expenses	4,417.36	6,271.11
Profit from Operations before other income, Finance Cost and Exceptional Items	620.65	1,396.04
Other income	16.99	0.36
Finance Cost	(785.21)	(3,151.68)
Exceptional Items	(36,256.56)	-
Profit before tax	(36,404.14)	(1,755.28)
Tax Expenses	-	(46.58)

Net Profit /(Loss) after tax	(36,404.14)	(1,801.86)
Other comprehensive income		
Minority interest	-	-
Total Comprehensive income for the period and comprising Profit or loss and other comprehensive income.	(36,404.14)	(1,801.86)

5. Foreign Investments and Collaborations: The Company has not made any Foreign Investments and neither entered into any collaboration during the last year.

II. Information about the Appointee:

- Background Details: Mr. G C Somadas, a Fellow member of the Institute of Chartered Accountants of India, has vast experience as a practicing Chartered Accountant for over four decades and wide exposures in areas of Statutory Audits, Internal Audit, Stock Audit, Revenue Audits and C&AG audits, Tax Audit. Mr. G C Somadas, has successfully handled various representations before IT Appellate Authorities, Company Law Board, Stock Exchange / SEBI adjudication or arbitration proceeding, RBI and related statutory authorities.
- Past remuneration: - Mr. G C Somadas was serving the Board as Independent Director without Remuneration.
- Recognition and Awards: NIL
- Job profile suitability: Mr. G C Somadas brings with him over four decades of proven experience as a practising Chartered Accountant and wide exposures in areas of Statutory Audits, Internal Audit, Stock Audit, Revenue Audits and C&AG audits, Tax Audit. Mr. G C Somadas, has successfully handled various representations before IT Appellate Authorities, Company Law Board, Stock Exchange / SEBI adjudication or arbitration proceeding, RBI & related statutory authorities.
- Remuneration proposed: As detailed above under 'the principal terms and conditions and Remuneration'.
- Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin): Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. G C Somadas (DIN: 00678824) the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar counterparts in other companies.
- Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel: Besides the remuneration proposed to be paid to Mr. G C Somadas (DIN: 00678824) he does not have any other pecuniary relationship with the Company or relationships with any other managerial personnel and Directors.

III. Other Information:

- Reasons of loss or inadequate profits: Reduction in the level of business due to discontinuation of certain products.
- Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms: Company is working on introduction of new generation of products in overseas market.

IV. Disclosures:

The information and disclosures of the remuneration package of the managerial personnel have been mentioned in the Annual Report in the Corporate Governance Report under the heading 'Remuneration in Rupees paid or payable to Directors for the year ended March 31, 2017'.

Item Nos. 6 and 7

The Board of Directors vide its resolution dated April 16, 2017 appointed Mr. Nanjappaiah Madgondapalli Ramu (DIN: 07268616) as an Additional Director of the Company, in the capacity of Independent Director. Mr. Nanjappaiah Madgondapalli Ramu 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 a member proposing his candidature for appointment as Independent Director as per the provisions of Sections 149 and 152 of the Companies Act, 2013.

Mr. Nanjappaiah Madgondapalli Ramu 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. Nanjappaiah Madgondapalli Ramu 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. Nanjappaiah Madgondapalli Ramu, being appointee or his relatives, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution set out at item Nos. 6 and 7.

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 Nos. 6 and 7 for approval of the Members by way of Ordinary Resolutions.

Item No. 8

At the 22nd Annual General Meeting held on September 30, 2014, Mr. Rajkumar Tulsidas Raisinghani (DIN: 01411084), was appointed as an Independent Director of the Company to hold office till the conclusion of Annual General Meeting to be held in year 2017. Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company have approved, subject to Members' approval, re-appointment of Mr. Rajkumar Tulsidas Raisinghani as the Independent Director for a second term of five years to hold office up to the conclusion of the 30th Annual General Meeting of the Company, based on his experience, knowledge and outcome of performance evaluation.

Pursuant to the provisions of Section 149 and other applicable provisions of the Companies Act, 2013, an Independent Director shall hold office for a term up to five consecutive years on the board of a company, and shall be eligible for re-appointment on passing of a special resolution by the company and disclosure of such appointment in board's report.

In the opinion of the Board of Directors, Mr. Rajkumar Tulsidas Raisinghani fulfills the conditions specified in the Companies Act, 2013 and the Rules made there under, for his reappointment as an Independent Director of the Company and is independent of the Management. In terms of Section 160 of the Companies Act, 2013, the Company has received notice in writing from a Member proposing the candidature of Mr. Rajkumar Tulsidas Raisinghani, to be reappointed as Independent Director as per the provisions of the Companies Act, 2013.

Except Mr. Rajkumar Tulsidas Raisinghani being the appointee, or his relatives, none of the other Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at item No. 8.

The Board of Directors recommends the resolution at Item No. 8 for approval of the Members by way of a Special Resolution.

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

Item No. 9

The Members at their 24th Annual General Meeting held on September 07, 2016 had approved the issue of further shares on stock swap basis to the shareholders of Opto Eurocor Healthcare Limited and further issue of Shares to promoters and Associates on preferential basis. Special Resolution, for the above items were passed with requisite majority. Subsequently, the Company made applications with BSE Ltd and National Stock Exchange of India Ltd (NSE) seeking in principle approval for the above mentioned preferential issue. However, the Company was advised to make point wise disclosures as per the SEBI (ICDR) Regulations and once again approach Shareholders.

Hence, approval of the Shareholders of the Company is once again sought, at the ensuing Annual General Meeting.

Your Company holds 6,40,00,000 Equity Shares of Rs. 10/- 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 there in who had invested long back in OEHL and those who are known to the Promoters. This will enable your Company to have complete control over OEHL with full flexibility to align the business and to enable any kind of integration or such other organizational restructuring opportunities.

Accordingly, the Board of OEHL recommended this proposal based upon the approval from its Shareholders to your Company and very careful evaluation process was undertaken. An Independent firm of reputed Chartered Accountants was engaged by OEHL and your Company to undertake this process and prevailing guidelines and formula of the SEBI were followed to arrive at the price. However, the Board of your Company has proposed, which was agreed to by the Shareholders of OEHL 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 Healthcare Limited obtained from Messrs Ishwar & Gopal, Chartered Accountants, Bangalore are kept open for inspection by the Members.

Your Board at its Meeting held on February 14, 2017 and August 01, 2017 subject to the approval of Shareholders, approved the proposal of issue of 3,68,04,768 (Three Crore Sixty Eight Lakhs Four Thousand Seven Hundred Sixty Eight only) Equity Shares of Rs. 10/- each of the Company at a price of Rs.15/- Per Share, in exchange for 14,15,568 (Fourteen Lakhs Fifteen Thousand Five Hundred Sixty Eight 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 Equity Shares allotted would be listed on BSE Limited and National Stock Exchange Limited. The Preferential Allotment is subject to the approval of the members of the Company and other statutory approvals, if any. Since the Company is listed, the proposed issue

is in terms of the provisions of the Companies Act, 2013 (“Act”), SEBI (ICDR) Regulations, 2009 (as amended), the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and other applicable provisions. Details of the Preferential Allotment and other particulars in terms of Regulation 73 of the SEBI (ICDR) Regulations in relation to the aforementioned Special Resolution are given as under:

1. Object of the issue:

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

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

Mr. Rajkumar Raisinghani, (Director), Dr. Suleman A Merchant, (Director) of the Company, (being proposed allottees) intending to subscribe. Apart from these none of the other Promoters /Directors/Key managerial personnel will subscribe to Equity Shares.

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

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

Sr. No.	Category	PRE ISSUE CAPITAL		POST ISSUE CAPITAL	
		No. of shares held	% of Shareholding	No. of shares held	% of Shareholding
A. Promoters holding					
1	Promoters				
	- Indian Promoters	5,57,26,312	23.00	5,57,26,312	19.96
	- Foreign Promoters	10151150	4.19	10151150	3.64
2	Persons acting in concert	0	0	0	0
	Sub - Total	6,58,77,462	27.19	6,58,77,462	23.60
B. Non-Promoters Holding					
3	Institutional Investors				
a.	Foreign Portfolio Investors	2,09,003	0.09	2,09,003	0.07
b.	Banks, Financial Institutions, Insurance Companies (Central/State Gov. Institutions/ Non-Government Institutions)	45,01,790	1.86	45,01,790	1.61
c.	Any other (Please specify)	0	0.00	0.00	0.00
d.	Foreign National	39	0.00	39	0.00
	Sub - Total	47,10,832	1.94	47,10,832	1.69
4	Others				
a.	Private Corporate Bodies	1,77,86,751	7.34	1,79,49,251	6.43
b.	Indian Public	13,49,70,317	55.70	171612585	61.48
c.	NRI - Non Rept	13,42,122	0.55	13,42,122	0.48
d.	Any other (Please specify)NBFC registered with RBI	1,47,540	0.06	1,47,540	0.05
e.	Clearing Members	7,71,048	0.32	7,71,048	0.28
f.	Trust	4,058	0.00	4,058	0.00
g.	NRI	1,66,97,990	6.89	1,66,97,990	5.98
h.	Fractional Shares	11,287	0.00	11,287	0.00
	Sub - Total	17,17,31,113	70.87	208535881	74.71
	GRAND - TOTAL	24,23,19,407	100.00	279124175	100.00

4. Proposed time of Allotment:

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

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

The name of the proposed allottees for 3,68,04,768 Equity Shares and the percentage of expanded capital to be held by them after the proposed allotment of the said Equity Shares as per the said resolution are as under.

Sl. No	Name of the Proposed Allottee	Category	Pre Holding	% of Pre issued Capital	Proposed allotment	Post issue Shareholding	% of Post issue Capital
1	Rajkumar Raisinghani	Non-Promoter	93700	0.04	26000	119700	0.04
2	Gautam V	Non-Promoter	68118	0.03	6500000	6568118	2.35
3	Gobind Rupchand Gumnani	Non-Promoter	872513	0.36	2600000	3472513	1.24
4	Haider Mohamedally Sithawala	Non-Promoter	854938	0.35	180700	1035638	0.37
5	Shabbir Hakimuddin Hassanbahi	Non-Promoter	290953	0.12	180544	471497	0.17
6	T. Thomas	Non-Promoter	0	0.00	2600000	2600000	0.93
7	Shabri Investments Pvt Ltd	Non-Promoter	3300	0.00	162500	165800	0.06
8	Arty Patel	Non-Promoter	0	0.00	26000	26000	0.01
9	Patel Kamalakshi Jagadish	Non-Promoter	0	0.00	52000	52000	0.02
10	Usha Chandrakant Patel	Non-Promoter	0	0.00	1300000	1300000	0.47
11	Rajesh B Gupte	Non-Promoter	0	0.00	39000	39000	0.01
12	Kavita Doulat Bhojwani	Non-Promoter	0	0.00	321100	321100	0.12
13	Suryakant D Patel	Non-Promoter	0	0.00	26000	26000	0.01
14	Brijesh S Patel	Non-Promoter	0	0.00	27950	27950	0.01
15	Amal R Patel	Non-Promoter	0	0.00	26000	26000	0.01
16	Nishita Patel	Non-Promoter	0	0.00	143000	143000	0.05
17	Pratik Arvindbahi Desai	Non-Promoter	546	0.00	390000	390546	0.14
18	Jawahar H Hemrajani	Non-Promoter	0	0.00	65000	65000	0.02
19	Vinne Jawahar Hemarajani	Non-Promoter	0	0.00	65000	65000	0.02
20	Sharmila Dinesh Khare	Non-Promoter	4000	0.00	32500	36500	0.01
21	Dakshayni Suresh	Non-Promoter	0	0.00	13000	13000	0.00
22	M.R Parvathamma	Non-Promoter	0	0.00	13000	13000	0.00
23	Usha Jayachandra	Non-Promoter	0	0.00	13000	13000	0.00
24	P. Jayachandra	Non-Promoter	0	0.00	6500	6500	0.00
25	Bharathi. N	Non-Promoter	0	0.00	6500	6500	0.00
26	Aspi Eruch Patrawalla	Non-Promoter	994	0.00	19500	20494	0.01
27	Indira Balakrishna	Non-Promoter	2652	0.00	19500	22152	0.01
28	Siddharth Guruprakash Ballupet	Non-Promoter	0	0.00	6500	6500	0.00
29	Sharada Bai Patil	Non-Promoter	2652	0.00	6500	9152	0.00
30	Bhavani Kailash	Non-Promoter	2652	0.00	6500	9152	0.00
31	Manohar M.K	Non-Promoter	2015	0.00	6500	8515	0.00
32	Swathi Shetty	Non-Promoter	637	0.00	9100	9737	0.00
33	A Suresh	Non-Promoter	0	0.00	6500	6500	0.00
34	Kalpana Jayaram	Non-Promoter	0	0.00	13000	13000	0.00
35	S.B. Ravi Shankar Gowda	Non-Promoter	663	0.00	3250	3913	0.00
36	Seema Rao Sirivara	Non-Promoter	0	0.00	487500	487500	0.17

37	B.K. Raghuveer	Non-Promoter	0	0.00	162500	162500	0.06
38	Vaidyanathapura Thammaiah Anand	Non-Promoter	1000	0.00	48750	49750	0.02
39	Tirath Mamtani	Non-Promoter	0	0.00	32500	32500	0.01
40	Natwar Gokaldas Thakrar	Non-Promoter	0	0.00	32500	32500	0.01
41	Jayesh B Gandhi	Non-Promoter	25000	0.01	32500	57500	0.02
42	Sejal B Kamani	Non-Promoter	0	0.00	13000	13000	0.00
43	Hetal H shah	Non-Promoter	0	0.00	13000	13000	0.00
44	Hemant Kumar Hasmukhlal Shroff	Non-Promoter	0	0.00	13000	13000	0.00
45	Janesh Kumar Premnath Gulati	Non-Promoter	0	0.00	26000	26000	0.01
46	Nilesh Suresh Dhanani	Non-Promoter	0	0.00	65000	65000	0.02
47	Namrata Mehta	Non-Promoter	864	0.00	32500	33364	0.01
48	Samir Saraiya	Non-Promoter	593	0.00	32500	33093	0.01
49	Vasantlal M Shah	Non-Promoter	0	0.00	13000	13000	0.00
50	Rajinder Singh Khurana	Non-Promoter	0	0.00	195000	195000	0.07
51	Dilip R Raghani	Non-Promoter	0	0.00	195000	195000	0.07
52	Supriya Sumesh Khanna	Non-Promoter	0	0.00	65000	65000	0.02
53	Nayaab Dhanik Chheda	Non-Promoter	0	0.00	65000	65000	0.02
54	Aaksha Sumesh Khanna	Non-Promoter	0	0.00	65000	65000	0.02
55	Lata Bhajan Lulla	Non-Promoter	2178	0.00	39000	41178	0.01
56	Chandra Balachand Lulla	Non-Promoter	0	0.00	26000	26000	0.01
57	Girdhari Sirumal Pinjani	Non-Promoter	195	0.00	32500	32695	0.01
58	Asha Pahilajrai Vachhani	Non-Promoter	0	0.00	130000	130000	0.05
59	Jairam G Chanchlani	Non-Promoter	0	0.00	650000	650000	0.23
60	Jagdish Dayaram Nankani	Non-Promoter	9945	0.00	130000	139945	0.05
61	Puja V Taksali	Non-Promoter	0	0.00	32500	32500	0.01
62	Gope V Keswani	Non-Promoter	0	0.00	32500	32500	0.01
63	Gobind Rupchand Gumnani	Non-Promoter	872513	0.36	1950000	2822513	1.01
64	Suleman Adam Merchant	Non-Promoter	280160	0.12	325000	605160	0.22
65	Pankaj Dilip Patel	Non-Promoter	0	0.00	7800	7800	0.00
66	Harshul Dilip Patel	Non-Promoter	6115	0.00	65000	71115	0.03
67	Sharda chunilal Patel	Non-Promoter	0	0.00	6500	6500	0.00
68	Kavitha Ramnani	Non-Promoter	0	0.00	6500	6500	0.00
69	Meera Ramnani	Non-Promoter	0	0.00	9750	9750	0.00
70	Anand Ramnani	Non-Promoter	0	0.00	13000	13000	0.00
71	Mahesh Chandrakant Patel	Non-Promoter	0	0.00	32500	32500	0.01
72	Abbas Rajabally Bharmal	Non-Promoter	0	0.00	13000	13000	0.00
73	Kiran S Vachhani	Non-Promoter	0	0.00	162500	162500	0.06
74	Avina Gobind Gumnani	Non-Promoter	80,689	0.03	5644730	5725419	2.05
75	Kabir Gobind Gumnani	Non-Promoter	530,484	0.22	2736838	3267322	1.17
76	Anna Thomas Chacko	Non-Promoter	2,158,551	0.89	6097676	8256227	2.96
77	Renuka Prasad B M	Non-Promoter	-	0.00	102622	102622	0.04

78	Ramasawamy Narayan Prasad	Non-Promoter	63,096	0.03	457522	520618	0.19
79	Dr. Nishit A Choksi	Non-Promoter	0	0.00	827840	827840	0.30
80	Valiveti Rajagopala Sastry	Non-Promoter	-	0.00	41028	41028	0.01
81	Uma.S Keshwani	Non-Promoter	0	0.00	325000	325000	0.12
82	Prerna Bhupendra Badhe	Non-Promoter	9981	0.00	19500	29481	0.01
83	Deepak V Keshwani HUF	Non-Promoter	0	0.00	325000	325000	0.12
84	Ravikumar M S	Non-Promoter	-	0.00	61568	61568	0.02

Sr. No	Name of proposed Allottee	Natural person who are Ultimate Beneficial Owner		
1	Shabri Investments Pvt Ltd	List of Shareholders		
		Name of Shareholders	No. of Shares	% of holding
		1. Dr. Suchitra Misra	199698	99.85
		2. Mr. Jagmohan Misra	300	0.15
		3. Mr. Madan Misra	1	0.00
		4. Mr. Rajiv Kaul	1	0.00
2	Deepak V Keshwani HUF	List of Directors		
		1. Dr. Suchitra Misra 2. Mr. Jagmohan Mishr		
		Deepak Keshwani		

6. Undertakings of the Company:

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

7. Issue Price and Relevant Date:

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

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

Accordingly, the Relevant Date for the preferential allotment is 4th August 2017, in terms of Regulation 71 of the SEBI (ICDR) Regulations.

8. Instrument and Numbers:

The Company is proposing to issue up to 3,68,04,768 Equity Shares to Non-promoter.

9. Change in control:

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

10. Lock-in:

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

11. Auditor's Certificate:

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

12. If the issuer or any of its promoters or directors is a willful defaulter, it shall make the following disclosures:

(a) Name of the bank declaring the entity as a willful defaulter: HDFC Bank Ltd and Bank of Nova Scotia Ltd

(b) The year in which the entity is declared as a willful defaulter:

Bank of Nova Scotia Ltd – 19th March, 2014[FY 2013-14]

HDFC BANK LTD- 06th January, 2015 [FY 2014-15]

(c) Outstanding amount when the entity is declared as a willful defaulter:

Bank of Nova Scotia Ltd –INR 119 Crores.

HDFC Bank Ltd –Rs. 7.50 Crores [Term Loan] & Working Capital Rs. 50 Crores.

(d) Name of the party declared as a willful defaulter: OPTO CIRCUITS [INDIA] LTD IN BOTH BANKS

(e) Steps taken, if any, for the removal from the list of willful defaulters:

The Company has taken up with the Bank of Nova Scotia Ltd and also with HDF C Bank for the removal of the Company's name as 'Willful defaulters' by offering One Time Settlement proposal to both the banks

(f) Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions:

The Company's Management has been pursuing with the managements of these two banks for an amicable settlement plan by offer of ONE TIME SETTLEMENT IN A PHASED MANNER and await response from the banks

(g) Any other disclosure as specified by the Board: NA

The Company has not made any preferential issue of securities during the current year.

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

The Board of Directors believes that the proposed preferential issue and allotment of Equity Shares is in the best interest of the Company and its members. Your Directors, therefore, recommend the Special Resolution set out at item no. 9 for your approval.

Mr. Rajkumar Raisinghani and Dr. Suleman A Merchant (being proposed allottees) & Dr. Suchitra Misra (Director of Shabri Investments Pvt Ltd, Body corporate to whom shares are being allotted) Directors of the Company, and their relatives, deemed to be interested in the Resolution No.9 and none of the other Directors and Key Managerial Persons or their relatives, in any way, is concerned or interested in the said Resolution.

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

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

Item No. 10

The Members at their 24th Annual General Meeting held on September 07, 2016 had approved the further issue of shares on preferential basis to the Promoters and Associates. Special Resolution, for the above items were passed with requisite majority. Subsequently, Company made applications with BSE Ltd & National Stock Exchange of India Ltd (NSE) for seeking in principle approval for the above mentioned preferential issue. However, the Company was advised to make point wise disclosures as per SEBI (ICDR) Regulations and once again approach Shareholders.

Hence, approval of the shareholders of the Company is once again sought, at the ensuing Annual General Meeting.

Your Board at its Meeting held on February 14,2017 & August 01,2017 subject to the approval of Shareholders, approved the proposal of

issue of 85,74,681 (Eighty Five Lakhs Seventy Four Thousand Six Hundred Eighty One) Equity Shares of Rs. 10/- (Rupees Ten only) each of the Company at a price of Rs. 15/- (Rupees Fifteen only) per share, to Mr. Valiveti Bhaskar, Associate. against the money outstanding in the books of accounts.

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

1. Object of the issue;

To repay unsecured loans

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

None of the Promoters, Directors, Key Management persons are subscribers to this issue.

3. Proposed time of Allotment:

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

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

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

Sr. No.	Category	Before Preferential Allotment of Eq. shares		After Allotment of 3,68,04,768 Eq. shares on Swap basis		After Allotment of 85,74,681 Eq. shares including Shares to be allotted on SWAP basis		After Allotment of 85,74,681 Eq. shares excluding Shares to be allotted on SWAP basis		
		No. of shares held	% of Shareholding	No. of shares held	% of Shareholding	No. of shares held	% of Shareholding	No. of shares held	% of Shareholding	
A. Promoters holding										
1	Promoters									
	- Indian Promoters	5,57,26,312	23.00	5,57,26,312	19.96	5,57,26,312	19.37	5,57,26,312	22.21	
	- Foreign Promoters	10151150	4.19	10151150	3.64	10151150	3.53	10151150	4.05	
2	Persons acting in concert	0	0	0	0.00	0	0	0	0	
	Sub - Total	6,58,77,462	27.19	6,58,77,462	23.60	6,58,77,462	22.90	6,58,77,462	26.26	
B. Non-Promoters Holding										
3	Institutional Investors									
a.	Foreign Portfolio Investors	2,09,003	0.09	209003	0.07	2,09,003	0.07	2,09,003	0.08	
b.	Banks, Financial Institutions, Insurance Companies (Central/State Gov. Institutions/ Non-Government Institutions)	45,01,790	1.86	4501790	1.61	45,01,790	1.56	45,01,790	1.79	

c.	Any other (Please specify)	0	0.00	0.00	0.00	-	0.00	0	0.00
d.	Foreign National	39	0.00	39	0.00	39	0.00	39	0.00
Sub - Total		47,10,832	1.94	47,10,832	1.69	47,10,832	1.64	47,10,832	1.88
4	Others								
a.	Private Corporate Bodies	1,77,86,751	7.34	17949251	6.43	1,79,49,251	6.24	1,77,86,751	7.09
b.	Indian Public	13,49,70,317	55.70	171612585	61.48	180187266	62.63	143544998	57.21
c.	NRI - Non Rept	13,42,122	0.55	1342122	0.48	13,42,122	0.47	13,42,122	0.53
d.	Any other (Please specify)NBFC registered with RBI	1,47,540	0.06	147540	0.05	1,47,540	0.05	1,47,540	0.06
f.	Clearing Members	7,71,048	0.32	771048	0.28	7,71,048	0.27	7,71,048	0.31
g.	Trust	4,058	0.00	4058	0.00	4,058	0.00	4,058	0.00
	NRI	1,66,97,990	6.89	16697990	5.98	1,66,97,990	5.80	1,66,97,990	6.66
h.	Fractional Shares	11,287	0.00	11287	0.00	11,287	0.00	11,287	0.00
Sub - Total		17,17,31,113	70.87	208535881	74.71	217110562	75.46	180305794	71.87
GRAND - TOTAL		24,23,19,407	100.00	279124175	100.00	287698856	100.00	250894088	100.00

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

The name of the proposed allottees for 85,74,681 Equity Shares and the percentage of expanded capital to be held by them after the proposed allotment of the said equity shares as per the said resolution are as under.

Sr. No.	Name of the Proposed Allottee	Category	Pre-preferential shareholding	% of pre issued capital	After allotment of 3,68,04,768 Eq. share on swap basis	% of post issued capital	Proposed Preferential Allotment	After Allotment of Eq. shares excluding Shares to be allotted on SWAP basis	% of post issue capital	After Allotment of 85,74,681 Eq. shares including Shares to be allotted on SWAP basis	% of post issue capital
1	VALIVETI BHASKAR	Non - Promoter	2363407	0.98	2363407	0.85	85,74,681	1,09,38,088	4.36	1,09,38,088	3.80

6. Undertakings of the Company:

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

7. Issue Price and Relevant Date:

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

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

Accordingly, the Relevant Date for the preferential allotment is 4th August 2017, in terms of Regulation 71 of the SEBI (ICDR) Regulations.

8. Instrument and Numbers:

The Company is proposing to issue up to 85,74,681 Equity Shares to Mr.Valiveti Bhaskar, Associate.

9. Change in control:

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

10. Lock-in:

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

11. Auditor's Certificate:

The Statutory Auditor's certificate, as required under Regulation 73(2) of the SEBI (ICDR) Regulations will be made available for inspection at the Registered Office at PlotNo.83,ElectronicCity,HosurRoad,Bangalore - 560100 between 10 a.m. and 1 p.m. on all working days (excluding Sunday) up to the date of Annual General Meeting .

12. If the issuer or any of its promoters or directors is a wilful defaulter, it shall make the following disclosures:

- (a) Name of the bank declaring the entity as a willful defaulter : HDFC Bank Ltd and Bank of Nova Scotia Ltd
- (b) The year in which the entity is declared as a wilful defaulter:
Bank of Nova Scotia Ltd - 19th March, 2014[FY 2013-14]
HDFC BANK LTD- 06th January, 2015 [FY 2014-15]
- (c) Outstanding amount when the entity is declared as a wilful defaulter:
Bank of Nova Scotia Ltd -INR 119 Crores
HDFC Bank Ltd -Rs. 7.50 Crores[Term Loan] & Working Capital Rs. 50 Crores
- (d) Name of the party declared as a wilful defaulter: OPTO CIRCUITS [INDIA] LTD IN BOTH BANKS
- (e) Steps taken, if any, for the removal from the list of wilful defaulters:
The Company has taken up with the Bank of Nova Scotia Ltd and also with HDF C Bank for the removal of the company's name as 'Willful defaulters' by offering One Time Settlement proposal to both the banks.
- (f) Other disclosures, as deemed fit by the issuer in order to enable investors to take informed decisions:
The Company's Management has been pursuing with the managements of these two banks for an amicable settlement plan by offer of ONE TIME SETTLEMENT IN A PHASED MANNER and await response from the banks.
- (g) Any other disclosure as specified by the Board: NA

The Company has not made any preferential issue of securities during the current year.

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

The Board of Directors believes that the proposed preferential issue and allotment of Equity Shares is in the best interest of the Company and its members. Your Directors, therefore, recommend the Special Resolution set out at item no. 10 for your approval.

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

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

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

Item No. 11

Section 20 of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014 provides the mode of service of documents inter alia to the members of the Company. Further, proviso to sub-section (2) of that Section states that where a member requests for delivery of any document through a particular mode, he shall pay such fees as may be determined by the company in its Annual General Meeting.

Therefore, to enable the members to avail of this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution.

Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Directors accordingly recommends the Ordinary Resolution at Item no. 10 of this Notice for approval by the Shareholders of the Company.

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.

None of the Directors, Key Managerial Personnel or their relatives, is interested or concerned in this Resolution.

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

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

Place : Bengaluru

Date : August 01, 2017

OPTO CIRCUITS (INDIA) LIMITED

CIN:L85110KA1992PLC013223

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

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

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

ATTENDANCE SLIP

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

Date & Time: Tuesday, September 05, 2017 at 11.00 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 25th Annual General Meeting of the Company held on Tuesday, September 05, 2017 at 11.00 AM at the Registered Office situated at Plot No.83, Electronic City, Hosur Road, Bangalore – 560 100.

Signature of Member / Proxy

Note:

1. Electronic copy of the Annual Report for 2017 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is being sent to all the members whose e-mail address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.

2. Physical copy of the Annual Report for 2017 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose e mail 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: Tuesday, September 05, 2017 at 11.00 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 25th Annual General Meeting of the Company to be held on Tuesday, September 05, 2017 at 11.00 AM at Registered Office of the Company 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
01	Adoption of Audited Financial Statements for the year ended 31 March 2017 and reports of the Directors and Auditors thereon			
02	Re-appointment of Dr.Suchitra Misra, who retires by rotation.			
03	Re-appointment of Mr.Vinod Ramnani, who retires by rotation.			
04	Appointment of Messrs B.V. Swami & Co., Chartered Accountants, Bangalore as Statutory Auditors of the Company			
05	Appointment of Mr. Somadas GC (DIN: 00678824) as Managing Director of the Company			
06	Appointment of Mr. Nanjappaiah Madgondapalli Ramu (DIN: 07268616) as Director of the Company			
07	Appointment of Mr. Nanjappaiah Madgondapalli Ramu (DIN: 07268616) as an Independent Director of the Company			
08	Re-appointment of Mr. Rajkumar Tulsidas Raisinghani (DIN: 01411084) as an Independent Director			
09	Issue of further Shares on Stock Swap basis to the Shareholders of Opto Eurocor Healthcare Limited			
10	Issue of further shares on preferential basis to Associate			
11	Approving Fees for delivery of any document through a particular mode of delivery to a member			

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 _____ 2017.

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 t 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 01, 2017 at 9.00 AM and ends on September 04, 2017 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 29, 2017 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.

